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## DESIGN CHARACTERISTICS OF AMX CLOSE AIR SUPPORT AIRCRAFT

Rome AVIAZIONE in Italian May 79 pp 198, 238-243

[Article by Gianfranco Rotondi: "What Will the Future Italian Close Air Support Aircraft Be Like?--AMX: In Praise of Madness"]

[Text] The Italian Air Force has commenced the AMX project designed to replace the G-91R and G-91Y in the close air support role. For this aircraft, developed jointly by Aeritalia and Macchi, a fairly old engine, the Spey, has been chosen. The author, an aeronautical engineer and professor of the aerospace engineering faculty of the Milan University, conjectures, by means of imaginary discussions between teams of designers, as to how the specifications could be met for a low cost, light CAS aircraft with an old engine. Of special interest in the article is the design of a hypothetical AMX which in actual fact is probably very close to the aircraft that will eventually be built.

It seems that the future of the AM [Italian Air Force] is connected to a great extent with the AMX program, from which the attack plane succeeding the G-91 and the G-91Y is to emerge. The national aeronautical industry has already been given, some time ago, the specifications which the new aircraft would have to meet, and the Italian builders are working on the preliminary design. However, it is rather improbable that construction of the new aircraft can represent anything reasonable on the economic level, given the modest orders which the AM could place, and thus it is obvious that the airplane's success will depend on possible export success. And here, unfortunately, things become complicated, since the AM's concern, albeit a very commendable one, to keep the aircraft's cost within limits that are as narrow as possible --and which it will certainly not be possible to adhere to, simply given the present costs per kilogram of airframe and the limited production volume-- imposes heavy penalties on the aircraft, through the adoption of a jet engine which is decidedly old--the first Spey went into service at the end of 1960--and therefore has little attraction for other users, as recent national experience should demonstrate. A further complication--even if this time it is tempered by the provision of installed thrust that is still 5,000 kg--is the

persistent attraction for the AM of attack planes with m/ t load capacity and thus of short range and reduced weaponry load, because of the special importance assigned to use within national borders or over the peninsula's waters. The inevitable result of this limitation inherent in the specifications and accepted in exchange for modest increases in maximum speed performance (the usefulness of which should at least be demonstrated) is an aircraft too insufficient for other air forces--one need mention only Australia and Brazil--that must provide for missions over very different distances and with very different loads. Even though a single-jet RB-199 is certainly more expensive, it would offer very different attractions, since, thanks to postcombustion, it also has an appreciable (and appreciated) additional thrust at takeoff and in the attack phase, and at steady speeds it has thrust much more in line with cruising requirements. Furthermore, the support which an aircraft with this engine could receive from the English or the Germans, our partners in the Turbo-Union, is perhaps not to be overlooked, while recent experience demonstrates clearly enough our weakness when it comes to offering an aircraft in foreign markets. What, then, could an AMX be like if construction of it were to prove to be income-producing? It seems there can be no doubt that the AMX in question would in the first place have to offer capacity--essentially, load capacity, expressed within broad limits both in range and in armament--decidedly greater than that requested by the AM, and that its second quality would have to be the ability to take engines very different from the old Spey. But how are these two results to be achieved, especially if one keeps in mind that with regard to the second one, changing the jet engine means facing a radical redesign of the aircraft? Here we have the story of how a hypothetical designer tells, in an imaginary diary, how it would be possible to arrive at a hypothetical acceptable AMX, of "canard" design so as to ensure better aerodynamic characteristics, and with the jet engine installed outside so as to make replacement of it with something more modern or more powerful as simple and neat as possible. That the AMX might turn out to be like this is highly improbable; but one should not then be surprised at the impossibility of selling beyond the borders of Italy machines of design old enough to be pensioned off, the result of design policies that do not dream of taking risks on any basis. And to think that they are studying similar approaches in NASA.

The aircraft, events and persons cited in the story are for the most part purely imaginary, and only a malevolent spirit could want to identify them with anything existing.

Monday--Most punctual, most predictable, but still a bother, and above all a great waste of time, with all there is to do. At 1500 hours the day after tomorrow, a meeting of all the bosses to decide what we are going to do with the new military spec that has arrived. The matter has been in the air for some time, but like a tax return, it was preferred not to think about it, in the hope that by some miracle--so many have been seen before this--one might at least once avoid ruining one's digestion. In any case, it will be interesting to hear for a bit the two new fellows, fresh from their studies and full of enthusiasm, and to see whether they--not yet condemned to the inexorable conservatism of all technical officials--can lend a hand to pulling

some brilliant idea out of the hat: one never knows. But only because I know that these pages will never come to the attention of anyone other than the undersigned, I take the risk--though it is not a great one--of predicting that it will all end in nothing.

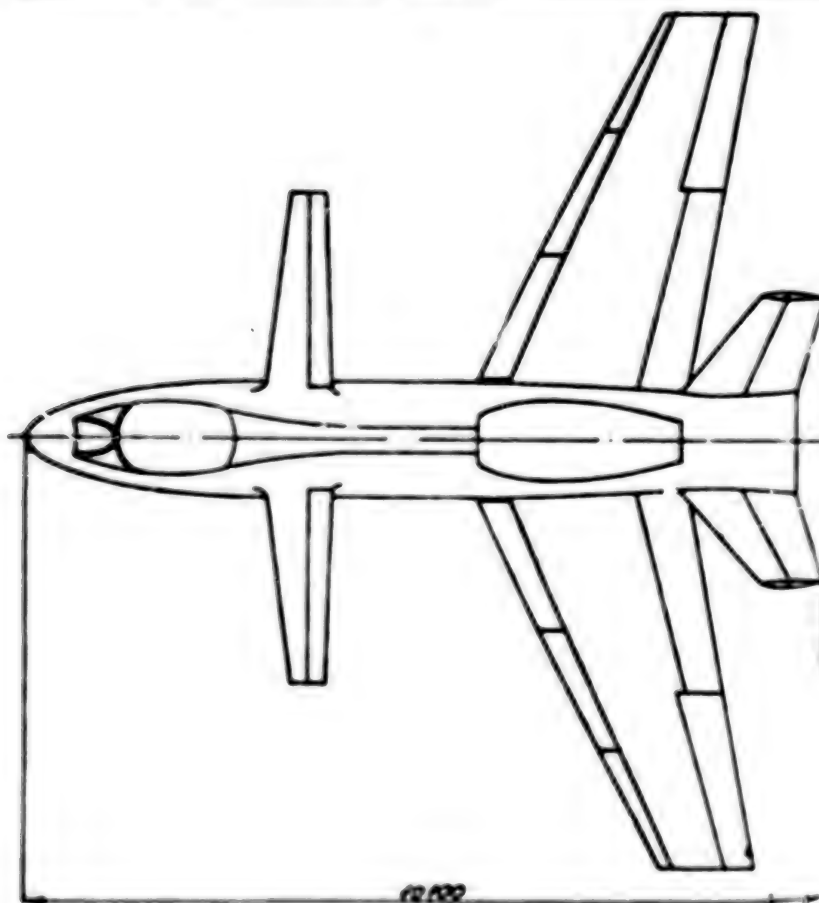
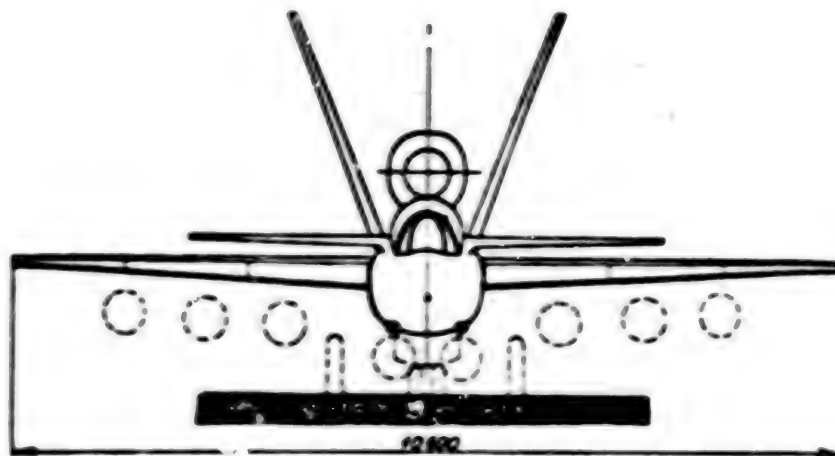
Tuesday 9--Carli and De Rossi, two new fellows, had eyes that sparkled this morning. They must already have been thinking about something ahead of time, because as soon as I mentioned, in the technical office, the possibility of having to take on still another time one of the now innumerable tours de force, they exchanged a sly glance. Meanwhile there is that bore Patrizi, the old fellow, who sulks because the young ones lack respect for him, so he says; but it is not true at all, and the young ones wish him well, a little as they would to a grumbling old uncle, and they esteem him also, if only for his experience. Patrizi's trouble is that in his time, they could teach him only how to make confoundedly small airplanes, in an era when--maybe because of scant knowledge of the English language, maybe from simple ignorance, maybe to avoid any offense to the inveterate veneration of the now ancient Italian aeronautical geniuses--no one dared to glance even furtively at any English-language texts, and not even at the old "Jane's." But on second thought, Patrizi's biggest trouble may not be that he has never recovered from the disappointment of his first work, not here with us, when he set himself to work, under the guidance of the prophet Rossetti, on what was supposed to be the Italian T-6, which to me, as a young student struggling with differential equations and the principal of virtual work, had seemed the finest example, in the variegated history of Italian aeronautics, of useless work. But perhaps I exaggerate, because there has really been very little outstanding useless work.

Wednesday 10--We began with Manerbi's usual indoctrination work--maybe I am wicked, but chairmen must have invented it to drive general managers, auditors and directors to distraction, or to win them eternal life; Manerbi is doubtlessly a very fine person, but he came on board here from I don't know where, and I don't think he could tell an airplane from a ferryboat. With the chief's indoctrination finished, the undersigned is put behind the eight-ball: with an office composed of the four "cats" of torpedo-plane memory, he is supposed to put together, in the twinkling of an eye, something that will leave McDonnell Douglas, Fairchild and Ling Temco Vought in the dust. And while we're at it, why not Sukhoi and Sepecat too? And when the undersigned points out that even with all the will in the world, the personnel of the engineering department can only do so much.... "What?! But with the country's best engineers on the job! And all of them brimming over with valuable experience! What is an engineering department supposed to be like?" Indeed, what is an engineering department supposed to be like? A fine thing that De Persici let out, when, seized by a holy zeal to demonstrate the outstanding experience of the personnel of the engineering department, and their ability to design a supersonic airplane with a chaise-longue and a watering can, he came out with the incautious--but, alas, true--declaration that some of us have more than 40 years' experience. He broke off in midsentence when he saw how I was nodding energetically, to show he needn't say anything so obvious. But it is a strange thing that whereas in the world of soccer, they



make sure that a wing half works in well with his teammates, and they play practice games so that he'll work in, in the world of aeronautical engineering, on the other hand, they are convinced that if they pick the cream of the crop and put together a mix of capable people of various extractions, preparation and experience, team play is thereby guaranteed. Of course, it isn't easy to put on practice games in an engineering department: it has to play for keeps. And I wish I were mistaken, but I have a great fear that nothing is better calculated to make an engineering department fall apart than to have it work on a practice job--something that, in the last analysis, is a piece of nonsense intended for killing time, and which disintegrates the people who are supposed to work on it, since they know quite well from the start that their work will come to nothing. In any case, on the good side there is the fact that at the general-manager level, I have managed not to be browbeaten: I may have played a somewhat dirty trick, but the fact remains that it was sufficient to talk about load spectrums, supercritical aerodynamics and "fly-by-wire" to be able to draw some breath. The moral: some 10 days from now, it is planned to sketch out a little the airplane that the military would like (and I would like to know what money they are going to pay for it with), and which possibly might go a little better than what the specs call for. On this front, maybe thanks to something that we had already mulled over in the engineering department, there is no problem: we should manage well enough. Where things are really going badly, though, is on the other front, that of the money, because I would like to know who got the bright idea of establishing that the aircraft now in the incubator should cost less than a small twin-jet executive plane, in view of the fact that even a little popgun like Dassault's Falcon 10, at 4 billion lire, costs half again as much as the AMX. But have certain people ever tried going shopping, paying for half a kilo of pork chops, or for resoling a pair of shoes? And meanwhile, they've bounced the ball back into my court this time too, giving me the task of cooking up a roast guinea-hen for the price of a sandwich.

Thursday 11--There is little to say, but if--as I am convinced--engineers are a part of manmade, then aeronautical engineers, and especially those of a design engineering department, are more so than the others. It seems incredible, but the idea of having to work day and night, of having to ruin one's liver and scramble one's brains because even on paper, a solution that seemed so neat turns out not to work, appears to constitute the quintessence of happiness for my gang--of whom, needless to say, I am very proud. They are really fine, marvellous boys (even if more than one of them has grey hair like me, and some are bald). And the engineer's trade is a queer one, even if we aeronautical engineers on the whole get along better than a great many of our colleagues. Who, indeed, has ever dreamt of bringing criminal charges against a doctor if his patient passes on to the next world, or a lawyer if his client goes to jail? But for engineers who build houses, a mistake in the arithmetic for the reinforced concrete--and the resultant collapse of a house--is crime enough to put one in prison, or at least to be held up to public ridicule, if a colleague, playing perhaps on the abysmal ignorance of the magistrates, manages to keep you out of worse trouble by his merciful skill. But on second thought, things are not really so easy for us aeronautical engineers. Albertini would probably commit suicide if a wing calculated for



Design of a hypothetical AMX



7 g went to pieces at 5.5 g, and Gorresi, if his airplane did not manage to do more than Mach 0.65 instead of 0.98, would think about joining the Foreign Legion, or maybe, to flagellate himself like the ever fierce (but harmless) anticleric that he is, would become a Trappist. But if a 4 billion-lire aircraft ends up costing 12 billion, I don't think Feruglio, of XYZ, or some of his colleagues, would bat an eyelid. So, the taxpayer pays for it. And this bothers me a little, because I'm a taxpayer too, one of the 50 million and more Italian taxpayers.

Saturday 13--As soon as he came in yesterday morning, Carli, with the most innocent air in the world, comes up to me with a seraphic smile: "But why do we have to do this airplane, if it's already been done? Apart from the fact that the AMX has already flown, on 22 June 1954"--and for Carli, lucky fellow of only 30, saying 1954 is almost like saying the Jurassic age--"in the form of the Skyhawk, don't you think it would be far more simple, expeditious, sure and economical to take everything--designs, equipment, and the whole works--from McDonnell Douglas, who no longer makes it?" And the trouble is that he is very probably right, because, apart from the fact that the Spey is not at all easy to fit (but then why shouldn't one be able to reach an agreement for the Pratt & Whitney?), and apart from the fact that a few specs are not exactly met, there is no doubt that the A-4, even with all the blemishes it might have from the fact of having come into the world in the same year as the 104, could at least, with a license, ensure the production of spare parts for who knows how long. And then, with a good grace which, if nothing else, testifies to the high quality of the human relations that prevail in the department, Carli left under full steam to lend a hand to Patrizi--for whom English is still a foreign language--in an analysis of the principal parameters of the project. I began, as I usually do, with a quick review of what is in progress, and of what was in progress up to not many years ago, in the field of close air support aircraft. But it is not very comforting to contemplate what is being done in other countries, in view of the fact that quite a few general staffs and quite a few builders must be convinced that the aircraft of their dreams is a kind of flying battleship--if we want the direct descendant of the RAF's Typhoons and the USAAF's Thunderbolts, the latter having been the cause, when I was a little boy, of some fright and some extra school vacation. Who knows why, but in Italy we see the tactical support aircraft only as small and light--which, to be honest, seems clearly to be a real loser in the opinion of the pilots, who, if they were to adopt it seriously, would end up risking their skins many times before they could fire off something bigger than a few firecrackers at their destination. It didn't take much imagination, but one also noted that the wing loading, in any case, had to be quite robust--certainly closer to 500 than to 400 kg/m<sup>2</sup>. It also remains to be seen whether one can manage to stay within rather short runways, even if at takeoff, at least, the strong thrust available leads one to hope that we could do it. Meanwhile, Sartorio and Soleri, our very capable "CS" designers, have come along--the former with the task of demonstrating the superiority of architecture with air intake in the nose, with the latter in favor of lateral intakes. It could be, but Soleri will end up winning because that hole in the nose may be beautiful, simple and efficient, but with it one has to turn somersaults to manage to fit in a

lot of things--the pilot's feet, to begin with. De Rossi, scratching his thick hair, grunts that in the last analysis the Corsair II is not a bad idea at all, and maybe he is right. But there is sad news, as I expected, on the money front: Federico, who is a dear old friend--and I don't understand how I didn't manage to know him in my student days--to whom I made a phone call, just to hear his opinion about what looks right among the market's ECM offerings, was categorical, citing me the case, which he says he knows personally, of an ECM pod--and therefore a lower grade of ECM, I seemed to understand--for more than a billion lire. And we, with the equivalent of about a pair of these gadgets, are supposed to build a whole airplane!

Monday 15--De Rossi, grunting and scratching his head, made an intelligent observation: "But hasn't anyone ever thought about the fact that an intake pipe running to a jet engine costs a terrible lot in aerodynamic resistance--the resistance owing to the air that goes into it, and that due to the air that passes over the fuselage in which it is housed--and makes one work like a beaver at an idiot job like putting into the fuselage just some air, which is so abundant outside?" Yes, it's really true, and I believe that those who build civilian jet airplanes are very convinced of this, in view of the fact that the attempts to install engines half covered all over with a lot of intake and exhaust pipes, were quickly abandoned, while today --at least among the subsonic machines--there is not one that doesn't have its jet engines in the pods launched by Boeing, but even earlier by Junkers on the 287 and by Heinkel on the 162. At any rate, in this first approach with the AMX there is something that doesn't convince me very well, in view of the fact that an abundant  $450 \text{ kg/m}^2$  clearly seems to be a bit too much to be able to take off, and especially to land, calmly (not at maximum weight in this case, of course) in less than 1,000 meters, unless one cooks up diabolical thrust inverters or flaps. It is true that there would have to be an abundance of compressed air for a blower system for them, but I confess that I would prefer to avoid certain oddities.

Tuesday 16--Lord, what a madhouse! They're coming out with a kind of F-84G, a kind of F-84F, a kind of single-jet Jaguar, a kind of single-jet Buccaneer (what have we come to!), as well as a kind of A-4, a kind of A-7 (and one understands this, in view of the fact that the American aircraft is the one clearly preferred by a great many pilots who fly the 104G fighter-bombers), something halfway between a Fitter and a Fitter-C (and it remains a mystery how the Russians managed to make an attack plane out of a what-you-may-call-it with a sweep like this), even a kind of SAAB 29, and naturally, a kind of single-jet A-10. Then, in the late morning, a revealing talk with Milesi, who only strengthened in me the regard which I have for our commercial director and for his clear ideas. The moral: since the AM is poor, there's no point in thinking that much money (which, by the way, there would not be) could be squeezed out of it for an undertaking which, if it were to be consumed with the supplying of new machines to only a couple of formations, would end up in a Concorde-type of mess (on a smaller scale, obviously, given our lesser national dimensions). Therefore the AMX has to be the pretext for getting the largest possible amount of one's expenses paid so as to come up with an aircraft that can be of interest to many more customers. A wonderful

discovery! And up to here, nothing new and nothing to object to, even if, as it seems, there is no other air force that shares the passionate predilection that ours has for light little airplanes. As for the question of money, Milesi reminded me that in Europe there is perhaps only one aeronautical industry that has ever even come close to staying within the estimates; and he reminded me also of the episode of the English Phantoms, modified so as to be able to take British equipment and therefore to cost the British taxpayer less, and ending up costing a multiple of the estimate, and in any case more than those "made in USA." At this point it was I who reminded Milesi that on that occasion, a member of Parliament asked in the House of Commons why the British aeronautical industry was so far off base as regards the accuracy of the estimates. Here, naturally, things will go in the usual way: the companies, although they know very well that they cannot stick to them, will nonetheless sign the contracts committing them to supply newly minted AMX's at a price for which they couldn't manage to build an equal number of medium-quality bicycles (which, I think, more than one of them has built in the past), all the way to the beginning of the Greek chorus scene. I think I can already read, in the energetic aeronautical press (but how can one contradict the advertisers?): "Having already spent 30, we go up to 31, so as not to lose all that has already been done" (but the 31 then means 310). And then: "Let us save the occupational levels" (which are what used to be called jobs). And finally: "But how can we disregard the requirements of defense?" And the sad thing is that 99 percent of the time, the game succeeds, and the money for the AMX program--which, as is logical and natural, will be around 8 or 9 billion lire per plane--will be pulled out, and those who end up paying for them will be the shift workers of Felice Riva, and the requirements of defense will sleep peacefully. Yes indeed, because I would like to see what would happen in our military aeronautical production system if any enemy were to communicate to us, by registered letter with return receipt and all, that he will consider himself at war with us in, let us say, a year and a half. The celerity of the Italian postal system would, of course, give us a couple of months extra breathing space, but I would really like to see what we would be capable of producing for the AM within 18 months from the order! And yet if an honest manufacturer of shoelaces or toothpaste were to feel the earth shake under his firm, it is not to be hoped that a pilgrimage to the high political and military spheres of the capital would get him 1 lira of orders for the armed forces. And I would like to see that clown Feruglio's face if, at the end of dinner in a restaurant, the waiter, in the aeronautical manner, were to tell him that he was very sorry, but the estimates must have been a little optimistic, and that with the accounting done for the antipasto, it cost 12,000 lire instead of 2,500, 9,500 instead of 1,800 for ravioli with cream sauce, 18,000 instead of 2,800 for the veal tip with vegetables, 5,000 instead of 800 for the small bottle of Chianti (which he can't tell from Lambrusco anyway), and so on--that is, multiples of what was on the menu. Ah, I was forgetting the last point touched on with Milesi: naturally, there is not much to be hoped for in the way of substantial orders for an aircraft with an engine that is now irremediably old. And consequently, even though there is nothing wrong in thinking about a brand new engine for a prototype, it would be a good idea

to arrange things in such a way as to be able to offer the aircraft in a version with different engines than the Spey--as if it were an easy matter, with centering, air intakes, engine installation and exhaust duct all to be done over again! As regards engines for the Italian aeronautical industry, Nockolds was certainly right: "The Magic of a Name." The Rolls-Royce myth obviously still attracts us, if we manage to have stuff now as antiquated as the Tyne and the Spey made for us. And neither is there any doubt that there is solidarity among poor devils, and that it functions, in view of the undeniable commitment with which we try to build up Rolls's order book. To tell the truth, the airplane with the Spey might interest the Chinese too; but can you imagine Brezhnev? In any case, in view of the way things are going, let us only hope that no one gets the idea of asking us for an interceptor with the Merlin!

Thursday 18--This morning, at the beginning of the day's activities, I harangued the gang. We're not getting anywhere, and the fact that the beginning designs have got more and more complicated only indicates that either they were mistaken, or that we are mistaken in developing them. Any idiot is capable of making complicated things, I tried to stress, but only correct and intelligent things are simple. And furthermore, as Piccini said when I was a student, away with everything that is not indispensable: what isn't there doesn't weigh anything, it doesn't take up any space, it doesn't cost anything and it doesn't do any damage. Moral: I ended by exhorting the whole crew to start with a clean slate, to begin again from zero--it is always better to start again from the beginning rather than pigheadedly push on patching up some solution that proves more mistaken all the time. An idea begins to dawn in me; to avoid any misunderstanding, I will give it to Carli, De Rossi and Patrizi to develop--with the support of the SS and to be monitored by Albertini and Gorresii--to see what might come of it. Oh, I almost forgot: having the nose free of the air intake is certainly advantageous--I'm sorry about Kartveli and Sukhoi, who obviously didn't understand anything--because, among other things, with an attack plane it is appropriate for the pilot to be positioned well forward in the nose.

Monday 22--Another couple of days and, God willing, this lecture will be finished too; but Thursday's speech obviously did some good. At the start, Carli, De Rossi, Patrizi and the SS declared that they had seriously--so to speak--thought of a Viggen type of solution, one of the last that I had suggested. In any case, there will certainly be troubles (the centering problems, to begin with), but at least my Janissaries' pronunciamento means not arriving at solutions that are carbon copies of the T-6, the C-47, the T-33, the F-84, the F-86, the F-100, the Skyraider, the A-7, and God knows how many other airplanes of more or less ancient formula: because what point is there in copying an airplane if one doesn't know why it was built the way it was? And in the last analysis, was the Viggen created as an attack plane or not?

Tuesday 23--We are almost there--at the canard, and I didn't have much faith in it, but it seems to work. In the first place, there is little to do: having to raise the nose--instead of lowering the tail--in order to increase



the angle of incidence makes for fabulous maximum CP [lift-drag ratio], and especially if the wing has a lot of flaps on the leading edge, and with a little more, just a little, than  $20 \text{ m}^2$  of wing surface, the stall speed at maximum weight--10,000 kg--should certainly turn out to be below 200 km/hour (and maybe about 185), while maximum speed should be something over 1,000 km per hour (that is, a little more than for the old 84G) with a more than reasonable sweep, thanks to the supercritical contours which Carli champions, and with beefy external armament. Where we are in trouble is with the engine, which, placed in the end section of the fuselage, obviously takes the center of gravity back tremendously (and it's a good thing that putting the pilot right in the nose, besides helping the centering, helps visibility too, apart from eating up a lot of thrust through the losses in the ducts which happily suck up the boundary layer, unless a pair of intakes are adopted which stick out insolently from the sides of the fuselage, with what CRO [expansion unknown] benefits I won't repeat). At any rate, with a wing loading of  $475 \text{ kg/m}^2$ , the radius of action in low-low-low, with 5,000 lb of under-wing load, should be--with the required reserves calculated--at least 450 km.

Wednesday 24--This evening, just barely within the limits set--but anyway, not beyond the maximum time--we drew the final conclusions, and there is reason to be satisfied with them: 55 m/s of climbing speed, at maximum weight and at altitude 0, and a little less than 7 minutes to get to 11,000 m with all the armament under the wings and in the belly. As for radius of action, 700 km in high-low-high at 8,000 m, and about 900 km at 11,000 m, with the normal 3,400 liters of fuel, and takeoff and landing in 900 m, even if, in order to pull up the wheels, one would have to be able to stay within no more than 650 m. With 6,200 liters of fuel (ferry range), at altitude 0 one could travel without reserves for 2,400 km or less, and this would rise to 3,000, 3,700 and 4,500 km at 4,000, 8,000 and 11,000 m, respectively. With reduced load, the aircraft would be fabulous for acrobatics, with more than 100 m/s climbing speed at 7,000 kg, and corresponding SEP [expansion unknown]. On the other hand, with 10,000 kg weight at takeoff and 5,000 kg thrust at altitude 0, one should do no worse than what we've predicted, unless something really stupid is done. Ah, I almost forgot: there would naturally be the two 30-mm's, and the maximum CP of the stub wing, an eternal problem for any canard, should be able to be pushed as far as one wishes with elongation which also guarantees that the stub wing stalls before the wing, with considerable advantage to one's health--and a bit with blowing, which is certainly less troublesome than that of the flaps. Gorresì, nitpicking, asked how we think one can land if the engine takes a leave of absence and the blowing therefore doesn't work, and De Rossi brilliantly outlined the solution by muttering: "If the engine doesn't fire, fire the ejection seat." Indeed, if the engine conks out, into the fields you go (at least on some single-engine planes), but with a jet engine, at least there is the consolation of not cooking up creamed vegetables. The trouble in the offing, if it should happen, is a different one--in fact, two problems. What allurements will Milesì have to use to convince the customer that our airplane, even if it is different from all other airplanes so far used--or maybe precisely because of that?--is the one needed? And how is one to dodge the arrows shot by the

honorable Aquila Acume, who is probably tormented by the catharsis of having had a brilliant career--he being a convinced pacifist and champion of universal disarmament--to the point of reaching the threshold of the general staff, and after--so they tell me--doing brilliant service as a commanding officer of armored forces?

Thursday 25--Incredibly, the supreme deities of the barracks--blessed be they and blessed be we--have declared themselves satisfied. Milesi, who is a good fellow and who knows our customers' tastes better than anyone, did not fail to take note of the "superb" visibility and how the two fins can serve very well to shield the label from the infrared of the exhaust, while De Persici (but where did he learn all these things? I know he's taking a correspondence course in aeronautical technology) found that in the last analysis our canard is not bad as regards the area rule, and that the placement of the jet engine in the rear also has the notable advantage of "eminently" facilitating replacement of the Spey by other engines, or even permitting versions of the machine with two engines and a single tail in the center. This is fine with me, because I know from long experience how the chiefs like to make brilliant discoveries (and much less, to pay the bill at the restaurant if it can't be passed on to the company). But I had to work very hard to stay serious, because my gang had already done a comic imitation of De Persici, anticipating his discoveries; but if even a De Persici manages to see certain things, can you say that another illustrious personage won't arrive at them? Manerbi, after seeing everything and nodding gravely, stressed that the glorious past of the royal house as supplier of transport aircraft to the armed forces make us outstandingly qualified to continue the glorious tradition with the worthy successor blah, blah, blah, blah.... Personally, what I like most about our thingumajig is the engine on the back, which guarantees a pile of free space in the fuselage, while I think Albertini will end up grateful to me for the beautiful wing without vanes, for the bogie, with integral and monolithic plating ready to resist the attacks of the virus of fatigue. Honestly, I believe that the engine won't have any troubles from ingestion of dirt, rocks, vines, Coca-Cola bottles, boxes, sweaters, or cordite gas; and what is more, when one climbs onto the wing it should be very nice to have the whole engine there within reach, while one need only loosen a couple of bolts on the cowlings to have it all right in front of one's nose. But maybe what I think I see most in our AMX is a certain dose of masochism, because--see yesterday's meditations--I know that an aircraft so different from what customers are used to seeing will not make too many people enthusiastic. I think I already hear Milesi's phone call from the airport as he waits to take off in search of customers: "My dear fellow, please ask the chairman whether, to go to the African country, I should take the plane for Tripoli or the one for Cape Town."

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## PSI'S CZECH DELEGATE PROMISES TO BE 'VOICE OF EAST EUROPE'

Rio de Janeiro O GLOBO in Portuguese 1 Jul 79 p 30

[Interview with Jiri Pelikan, Czech writer and PSI representative to the European Parliament, in Rome; date not given]

/Text/ Rome--Czech writer Jiri Pelikan, 56 years old, former director of Czech TV and one of the principal protagonists of the "Prague Spring," told O GLOBO that his election to the European Parliament from a list of people who are fighting to gain their freedoms in Eastern Europe and are condemned to silence. I will be without doubt the voice of that silent majority."

On the 17th, when the European Parliament is installed in the French city of Strasbourg, Pelikan will open his speech by pointing out: "Europe does not end at the Berlin Wall. And for that reason, democracy cannot be a privilege of only Western Europe."

The combative Pelikan, a naturalized Italian, has been exiled in Rome for 10 years. Here he publishes the magazine of the Czech resistance, LISTY, which circulates monthly in two languages (Czech and French). He lives as a free-lance newspaperman and regularly produces special programs for West German and French television. Despite being pessimistic about the process of liberalization of his country, he believes that after the death of Leonid Brezhnev there will be a little more freedom of expression in Eastern Europe.

His election to the European Parliament was supported by "dissidents" of various Eastern countries, among them Wolff Biermann, Andrei Siniavski, Antonin Leihme, Krzystof Pomian, Victor Nekressov and Pierre Kende. In that connection, Pelikan is already being called by all the Italian press "the deputy of the Prague Spring." After criticizing Marxism, saying that Marx's method of analysis may be valid, but his conclusions have been completely superseded, he pointed out: "the best example of political organization of society is still the Western model, but with a socialist economic and social structure."

In Rome, Pelikan does not exactly live in impoverished exile. He lives in very beautiful lodgings in the heart of the historic center of the city, in Via Rotonda, beside the Pantheon. And although he did not respond to any question by this correspondent on Italian politics, he did not fail to criticize the Italian Communist Party (PCI): "One of the many contradictions of Eurocommunism is to support the "Prague Spring" and at the same time to continue a policy of solidarity with the Soviet Union, as if one can be a friend of the "victim" and of the "murderer" at the same time.

Finally, a serious charge: "We have proof that the father of the Red Brigades, editor Giangiacomo Feltrinelli (deceased) was in Czechoslovakia after the "Prague Spring" accompanied by several founding members of the terrorist organization, and strangely enough all of them carried false identification documents."

Following is Pelikan's interview:

/Question/ What is the significance of your election to the European Parliament?

/Answer/ My election was a victory for the thousands of people who fight to gain their freedoms in Eastern Europe and are condemned to silence. I have to thank the great solidarity of the Italian socialists. I will be without doubt the voice of that silent majority that is throttled not only in Czechoslovakia but also in Poland, Hungary, East Germany and the Soviet Union itself. Europe does not end at the Berlin Wall. The European Parliament will be a platform for me to defend the oppressed of Eastern Europe.

/Question/ But do you really believe that your election can help the political forces that oppose the current Czech regime in any way? And what do you think of doing specifically in the European Parliament?

/Answer/ The big battle will be to reaffirm, whenever I can, that it is not fair for democracy to develop only in one part of Europe when in the other half there are still regimes that sentence their citizens for the simple fact of thinking differently from their rulers, as occurred just last week with the arrest of 10 members of the so-called "Charter 77" movement.

Or with the expulsion of writers, as also occurred last week in East Germany. I believe that my presence in the European Parliament is the guarantee that a voice will be there always denouncing oppression in the communist countries, which is being forgotten lately because of so-called "detente" and because of the commercial interests that exist between the Western countries and the Soviet bloc. The "policy of peace" and of "detente" cannot be reduced to a business deal. Business is going well but it cannot be paid for with silence over the injustices that exist there.



/Question/ Why did you run under the Italian Socialist Party (PSI) and not under the Italian Communist Party (PCI), although you are identified as a man of Eurocommunist leanings?

/Answer/ I want to explain first of all that I joined the list of candidates of the PSI only because I received an invitation from its secretary general, Bettino Craxi, and I was not sought by the PCI. In the polemic I recently engaged in with the secretary general of the PCI, Enrico Berlinguer, in the Roman newspaper LA REPUBBLICA, I said that the fact that my candidacy was presented by the socialists and not the communists was for a very simple reason: although the PCI is not hostile toward me, it cannot include my name in a list of its candidates because it fears the Soviet Union, with which it maintains an unsuspected policy of solidarity. Since the PSI is not bound to any interest that is not Italian, it was free to make the proposition to me.

/Question/ Then how does one explain the fact that the PCI condemned the invasion of Czechoslovakia but continues its policy of solidarity with the Communist Party of the Soviet Union?

/Answer/ That is one of the scores of contradictions of Eurocommunism. I also ask: How is it possible to be a friend of the "victim" and of the "murderer" at the same time? But that is the product of the history of the international communist movement itself, which was educated for 30 or 50 years under the myth of the Soviet Union, the "great mother" of the socialist revolution.

But I can understand the PCI because we in Czechoslovakia also took a long time to understand that the CPSU is not a fraternal party but a great exponent of Soviet imperialism. The PCI naively believes in the possibility of building democratic socialism while maintaining good relations with the CPSU. What naivete.

/Question/ And how do you, a former member of the Czech Communist Party, classify yourself politically today?

/Answer/ I do not believe very much in such classifications because today there are many who consider themselves to be communists, and traitors others who call themselves communists. I will say that it is difficult nowadays to know exactly what it means to be a communist. I consider myself a socialist, who dreams about a socialism where there is freedom of expression, more popular participation and, consequently, broad party pluralism.

I am completely opposed to the "Soviet model," with a single party commanding and countermanding, with militarized unions, with censorship preventing the free expression of the intellect, and savage police repression of those who think "differently." The best example of the political organization of society, I believe, is still the Western model, but with a socialist economic and social structure.

[Question] How do you see the crisis of Marxism?

[Answer] This is a very complex question and difficult to answer. I prefer to answer by relating an anecdote that is very popular in all of the countries of the Soviet bloc. They say that once Karl Marx in person showed up at the Soviet television and said that he wanted to make a speech to the people. The editor on duty replied: "This is an orderly country and not just anybody can talk on television." Marx said: "But I'm not just anybody, I'm Karl Marx, founder of Marxism, my portrait is even hanging on the wall in your hall." The editor begged his pardon: "Even if you are really Karl Marx, you cannot speak without the authorization of our Central Committee."

Marx went looking for a representative of the Central Committee and explained his problem. The representative said that Marx had died many years ago. Pointing to his own portrait on the wall, Marx insisted: "You can compare; it is I." The man became convinced that it was Marx but pointed out that he could only grant authorization after first consulting the Politburo, which he did a short while later.

When he returned, he said: "I am very sorry, but the most I could secure was for you to speak only one sentence." Marx agreed. At the time of the evening newscast, Marx appeared before the cameras and spoke his single sentence to the Soviets: "Proletariat of the whole world, forgive me."

It is only a story but it well illustrates how discredited Marxism is in the countries of Eastern Europe, where all of its theory merely served to bring a class of bureaucrats to power. Marx's method of analysis may still be valid but his conclusion have been completely superseded.

[Question] Could Leonid Brezhnev's death be the first step toward liberalization in all the countries in Eastern Europe?

[Answer] I think so. I believe that after a certain period of internal struggles for succession to Brezhnev without the Soviet Communist Party, the new leaders will certainly understand that it will be much better for the countries in the Soviet orbit to have more freedom and for their respective governments to have a certain popular support. And thus a more earnest task of redemocratization can be carried out.

As I said at the beginning, we of Eastern Europe are dependent simply on the "health" of the leaders in the Kremlin. The possibilities for redemocratization in a Western country are always greater. For example, three dictatorships fell in Western Europe: Portugal, Greece and Spain. Brazil is also in the very midst of redemocratization. Our godsend now is that Brezhnev is really dying--and in Vienna, at the meeting with Carter, he was a walking corpse.

[Question] What importance for liberalization of the regime can the recent visit of Pope John Paul II to Poland have?

[Answer] A great deal, undoubtedly. For the first time, a communist regime was forced to recognize before the world an internal pluralism that was throttled by severe police repression. This is a new factor in the countries of the East and it will hardly be possible to continue the persecutions of the religious, at least in Poland, after the visit of John Paul II; the opening made by the Catholic Church will end up by permitting other forces of the opposition to gain political autonomy.

[Question] You said recently in interviews with Italian newspapers that the destabilization of Italy is of interest to Moscow and, consequently, to Prague. Why?

[Answer] I cannot state that only the Soviet Union and its satellites have an interest in politically destabilizing Italy. It is quite possible that a Western country is also behind the terroristic escalation of the Red Brigades. But we have concrete proof that after the "Prague Spring," the father of the brigades, editor Gianciacomo Feltrinelli, was in Czechoslovakia accompanied by several members of the terroristic organization, and strangely enough all of them were carrying false identification.

The Soviets are afraid that the PCI may advance along the Eurocommunist line and will leave the East European orbit. The Soviet Communist Party is also against the entry of the PCI into the government and this may have led its secret services to assassinate Aldo Moro and create a climate of insecurity in the country that would prevent the entry of the communists into the cabinet, which in fact is what happened.

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## BENELUX ECONOMY HELPED BY INCREASED EXPORT

Zurich NEUE ZUERCHER ZEITUNG in German 4 Aug 79 p 16

[Article by pmr.: "Exports as Pump-Priming Force in the Benelux Countries"]

[Text] Brussels, at the beginning of August. In the Benelux countries, the hope that increased exports would trigger an economic upswing has been fulfilled. The recovery which had already been apparent in individual sectors during the second half of 1978 continued during the first 6 months of this year. However, in view of the high unemployment rate, which has not been reduced by the upswing, and the oil price increase--which hit the Netherlands and the Luxemburg-Belgian economic union at the tail end of a 2-year development, during the which the traditionally favorable balances of trade and payments turned unfavorable--, the prospects are not all that promising. Moreover, due to the concern about the stability of their currencies, the Benelux countries feel compelled always to stay ahead of the international trend concerning increases in the interest rates.

## Concern About the Stability of the Belgian Franc

In Belgium, the concern about the stability of the franc has for weeks been the focal point of the discussions concerning economic policy. After last summer's 4-month crisis of confidence, the Belgian currency has since the end of March again been affected by intense speculation in the international exchange markets. With great determination, the Central Bank has been employing its tested arsenal of defensive measures; within 2 months, it raised its interest rate from 6 to 11 percent. However, in pursuing this course, the bank feels let down by the government. Showing less and less restraint, the finance minister--taking a strictly inflationary approach--is trying to cover the budgetary deficit, which this year amounts to 7 percent of the GNP, through short-term foreign loans and through cash credits obtained from the Central Bank. For this reason, Bank Inspector de Strycker issued an urgent appeal at the beginning of the debate on the budget for the coming year, advising the government to stop "living beyond its means." According to de Strycker, it is not the enterprises and households that should be blamed for the fact that in the last few years consumption of goods and

services in Belgium exceeded production by 1 to 2 percent; rather, one should blame the state, since a considerable percentage of its excess expenditures flow via transfer payments into private consumption and thus indirectly stimulate imports.

In its draft budget for 1980, the government kept the increase in expenditures just below the projected GNP growth rate of 8.5 percent; however, in view of the confrontation with industry and labor expected in the fall and the costly plans for checking unemployment, doubts concerning the practicability of the "economy budget" are being voiced even now. Moreover, the Belgian Employers Association feels that the slight pickup in investment activity reported by the Central Economic Council in its biannual report could be scotched by the planned special tax on "excess profits."

In the last few months, the rapid increases in exports and industrial production were the primary indicators of economic recovery. During the first 3 months of this year, Belgian exports increased by 11 percent, while imports merely showed a 7-percent gain. The trade balance deficit declined from 33 billion Belgian francs in the first quarter of 1978 to 21 billion. In spite of the harsh winter, industrial production during the first 5 months exceeded by 1.3 percent the production volume of the corresponding period of the preceding year. Increases were registered by consumer-oriented sectors such as the clothing and textile industries, but also by the chemical and steel producers. In the construction and capital goods sectors, however, production declined in comparison with the previous year. Private consumption which in spite of steadily slowing income gains increased by 3 percent in the first quarter--as compared to a mere 1.9 percent in the whole preceding year--likewise showed modest gains. According to the Central Bank, real income rose in March by 2.4 percent, as compared to 3 percent during the same month of the preceding year. However, due to the uncertain development in the investment sector, the domestic economy is not expected to make a significant contribution to the improvement of economic conditions in the immediate future.

In May, the number of unemployed (285,000) exceeded by 3 percent the corresponding figure of the preceding year, although the total had in the meantime been reduced--by special work programs and early retirement--by 160,000. The price index, which at an annual rate of 3.7 percent had as late as March made Belgium one of the most stable European countries in terms of currency value, jumped in July to 4.8 percent. Approximately one-third of this rise was caused by the oil price increase. In the budget debate, the government estimated the inflation rate for the coming year at 6 percent.

#### Cautious Optimism in the Netherlands

"The upswing in economic activity in the Netherlands, the first signs of which became apparent in 1978, appears to be continuing in 1979." In these cautious terms, the Dutch Central Bank described the economic situation in



its latest quarterly report. The report points to the increase in industrial production, which in May exceeded by 4 percent the corresponding output volume of the preceding year, and the growth of the export volume as the most positive elements. As to the debit side, there is the stagnation in the investment sector, the mounting tension in the labor market, the rate of inflation which in June again slightly increased to 4.2 percent, and the foreign trade exchange ratio which during the first quarter dropped 1.5 points to 96.5 percent. In regard to prognoses for the coming months, economic observers are exercising extreme restraint. According to the State Planning Office, the economic growth rate, which in the medium-term plans had been estimated at 3 percent, will this year not even reach the downwardly adjusted target figure of 2.5 percent.

As far as the summer months are concerned, however, the economic surveys of the Statistical Office give cause for a modicum of optimism. Since the spring, the employment situation has noticeably improved. In June, the utilization of industrial capacities reached 82 percent, as against 80 percent in March, and the enterprises complaining about production bottlenecks are attributing this to the difficulty in finding qualified labor rather than to slow demand. Since the beginning of the year, the number of unemployed has remained unchanged at approximately 210,000--i.e. the equivalent of over 5 percent of the total number of wage earners. However, this total conceals contrary trends regarding men and women: The number of male unemployed is decreasing. In the metalworking and construction industries, the number of open jobs has been increasing considerably, while the number of available jobs in the typical female occupations (office work and teaching) is shrinking. At 8.4 percent, the unemployment rate for women is now twice as high as that for male workers.

In regard to developments in the investment sector during the current year, no figures are as yet available. During the last quarter of the preceding year, investment activity showed a slightly retrograde tendency. After last year's boom-like upswing which to a large extent benefited imports, private consumption appears to have slowed down. At the end of April, the government decreed that the increase in consumer credits must not exceed 15 percent in the next 12 months. In 1978, consumer credits had increased by 28 percent.

The Central Bank likewise has been continuing its policy of direct credit restriction, which it has been pursuing for the last 2 years. For 1979, the Central Bank restricted to 9 percent the expansion of the credit volume--insofar as it exceeds the increase in long-term deposits and in capital procured in the money market. It appears that the measures taken by the bank are not entirely unsuccessful. Since the beginning of 1977, the ratio between liquid assets and national income, the so-called liquidity rate, which the Central Bank uses as a target figure, has been declining from 41.1 to 36.5 percent. Last year, the decrease amounted to 1 percentage point, and in the first quarter of 1979, to as much as half a point.

As regards Dutch foreign trade, during the first 5 months of this year the situation was much improved in comparison with the corresponding period of the preceding year. The value of imports rose by 11 percent, while exports--the increasingly favorable exchange rate notwithstanding--increased by 12 percent. The trade balance deficit decreased 1.7 to 1.3 billion guilders. Aside from the increased demand for chemical products, the Dutch exporters were aided above all by the harsh winter, which raised by 22 percent the volume of natural gas exported during the first quarter and which for the first in 12 months helped to balance energy ex- and imports. During the last 3 quarters of 1978, the energy balance--which due to the large natural gas reserves had for years been favorable--had shown an average deficit of 0.4 billion guilders.

The balance of payments, on the other hand, continued to deteriorate. In regard to current entries, during the first 3 months the balance showed a deficit of 0.7 billion guilders, as against a quarterly average of 0.6 billion in 1978. Making allowance for the changed conditions, the Central Bank at the end of May eased the restrictions on capital imports, which had been in force since 1964. The maximum amount, by which the banks' foreign obligations may exceed their foreign deposits, was raised from a standard 5 million guilders to a minimum of 20 million. The individual bank's free quota now varies according to the value of its foreign assets. For the banking system as a whole, the margin amounts to 3.3 billion guilders.

As for the test of strength between the trade unions and the government, the open confrontation has so far not taken place--not counting a day of demonstrations in June. But the profit-and-loss account of the economy program, which had been intended to extend over 3 years, has turned out rather badly. By raising the question of confidence, the government succeeded in enforcing the second round of reductions (between 0.2 and 0.7 percent, to take effect in the middle of the year) of the steadily rising civil service salaries and social benefits; however, on account of a 1-percent advance--payable on 1 October--on the increase in social benefits due at the beginning of '980, the savings effect was almost canceled out. Contrary to the declared objective, at a level of minimally 6 percent of the national income the budgetary deficit in the current year will break all records. The pulling of the "emergency brake" by the minister of finance, which is to speed up returns and extend expenditures, basically is nothing but a postponement of the problems.

#### Meisanto Shutdown Raises Luxemburg's Unemployment Rate

For Luxemburg, the Statistical Service (Statec)--in its latest quarterly report--states a consolidation of foreign demand. In the first 4 months, steel exports increased by 5.2 percent, as compared to the corresponding period of the preceding year. But at 2.7 percent, steel production during the same period fell short of the increase in overall industrial production (4 percent). In the construction sector, on the other hand, the development was

more promising: This industry registered a production increase of 5.5 percent. The investment level remained high, largely on account of the extensive reorganization of the Arbed Steel Concern. According to Statec, domestic consumption likewise showed "dynamic" development. Between January and June, the number of unemployed receiving full benefits decreased from 684 to 498. However, on account of the shutdown of the Echternach Monsanto plant, which entails the loss of approximately 760 jobs--half of which are held by frontier workers though--, a sharp rise in unemployment is expected for the summer months. Retail prices have been steadily rising since the beginning of the year. In June, the rate of inflation reached 4.2 percent, as against 3.7 percent in January and 2.7 percent in June 1978.

8760

CSO: 3103



## CSU ELECTION STRATEGY, MINOR PARTY RELATIONS EXAMINED

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 16 Jul 79 p 3

[Article by Dieter Wenz: "Strauss, Fredersdorf, and the Matter of the 'Piggyback' Seats"]

[Text] That he has more important things to do than to stand around with his tongue hanging out morning, noon, and night in front of the Schaumburg Palace merely in order to not miss the call to the chancellorship--with such an attitude of unconcern, CSU chairman Strauss has nevertheless for years now given out intimations whenever possible that in the last analysis he aspires to only this one office. His dogged perseverance has as a rule been ennobled by an almost shamefaced reference to Adenauer, who at the age of 87 years old was still directing the destiny of the nation--compared to whom this man, who is well into his 60's, is supposedly after all really almost a young whipper-snapper. Nevertheless, the Bavarian minister president has known and knows that history does not repeat itself; conditions in general and the political and personal circumstances in the country have altered since then, and they are changing further. Behind Strauss the pressure of younger forces in the foremost ranks of the opposition is becoming stronger--there are, for example, Albrecht, Dregger, and Biedenkopf, and other names might be appearing on the scene. But now, as the candidate of the Union parties, he has been sent into the struggle for power: Doubt has no place in the determination of this man, who has had to wait the life-span of a politician to seize his chance--his "last," it is widely thought. Strauss will leave no stone unturned.

Well now, the political analysis of the CSU chairman has been focused for years on the strategic realization that the Union parties will not in all probability be able to gain an absolute majority of the votes all alone, without help from outside. This demonstrable realization is not suddenly invalidated by the replacement of one leader by another--for Strauss as well it retains its validity: The Union, as is shown by studies made in both Bonn and Munich, has a solid base of voters of 42 to 44 percent. It is unlikely to slip below this mark. To be sure, it is believed to be just as certain that this Union--assuming that it retains its present configuration--runs up against a limit at 49 percent which is difficult to surmount.

How then to gain the majority? In the Union it has been noted with relief that the emergence of the "green slates" seems to be almost exclusively at the expense of the SPD and the FDP--in the recent European Parliament elections, this became especially obvious in the case of the SPD. An appearance of the "greens" in the Bundestag elections is definitely anticipated as well: At the SPD party congress in December, in line with the intention of its chancellor--who after all is alone able to guarantee its continuing in power--it will supposedly have no choice but to pass energy resolutions which cannot appear acceptable to those in the extraparliamentary opposition. At any rate, for some time now there has supposedly no longer been any question of this camp being willing to relinquish the pursuit of its own political goal, on the basis of the argument--to the advantage of the SPD--that the governing party needs every vote on the Left in order to prevent the threat of a "rightist counter-reform."

Then there is in addition the matter of Fredersdorf's Citizens' Party. The "malcontent potential" which Fredersdorf would have been able to pick up outside of Bavaria in the area between the Middle and the Right can now be clearly counted--in the opinion of those at the Konrad Adenauer Institute, for example--on the side of Strauss, following the nationwide Union candidacy of the latter. Thus the Citizens' Party will, it is said, attract votes solely from the periphery of the governmental coalition. Some 3 percent to the "greens," 2 percent to the Citizens' Party--thus goes the calculation at the present time in the opposition, and above all in the CDU. To be sure, because of the non-satisfying of the 5-percent clause, the votes for these two new extraparliamentary groups would in the end be divided once again among the major parties, but it is precisely the assets of the coalition which would then get distributed all around.

And the CSU? This would still not be 50 percent. Could Strauss be going to count on such a long-odds situation? For the moment, those in the CSU leadership are naturally not interested in public discussions of this subject. But people who think they know what motivates the chairman assert that he will "in any case go the whole hog." There have been and continue to be extensive consultations with Fredersdorf. Only very recently, in the latest session of the strategy committee, Strauss strongly recommended to the other party of the Union that it not attack the Citizens' Party as a political opponent in the Bundestag election campaign. As is passed on in a somewhat sibylline manner from circles within this committee, Strauss in fact recommended letting him "go his own way."

#### The Calculation on Which Everything Could Hinge

The key word is something called the "piggyback procedure." This signifies the opportunity which the electoral system allows to a party to relinquish in certain electoral districts having its own direct

candidate and to let someone else have the candidacy. Just now, Strauss will call such a thing "not at all a real possibility," especially since there are considerable political objections in the CDU against such a procedure: The political enemy will not hesitate to charge in the days of the election campaign that such a plan is one of "sinister machination," of "manipulation," and of "voter fraud." Those at the Konrad Adenauer Institute are convinced that the party base would not go along with such a thing, and the voters even less so. They refer to their own sorrowful experiences. They say that in the Bundestag election of 1969, the candidacy of a CDU constituency in Lower Saxony, up to then regarded as definitely certain, was left to the political refugee Rehs, at that time a leading political figure, weeks after this person had withdrawn from the SPD. The constituency was lost--Karl Ravens (SPD) was elected.

But the clocks keep a different time in Bavaria. To be sure, there as well there are many people who think that for the time being, candidate Strauss cannot afford to do anything politically impugnable in any way, since he has to strive to find approval above all in the direction of the Middle. Nevertheless it is here that the party base is more inclined to in the end give their more or less blanket approval to the moves of their undisputed top man. As the election results in Bavaria constantly show, this does not necessarily apply only to the dyed-in-the-wool party members. In the last analysis, so it is said, it must be assumed that Strauss is sure to get the "core votes" of the Union in any case--the European Parliament elections are referred to here, in which an opposition which seemed even to the public to be utterly pathetic obtained markedly more votes, surprising to many, than the governing parties. It is said that Strauss can therefore be pretty much indifferent to whatever the coalition and those closely connected with it think of him and his action. To expect goodwill or sympathy from that quarter is illusory from the start.

Thus, the "piggyback" operation could come off--there has already been thinking in this direction--in the following way: Three public figures--if possible hitherto not aligned with any party--who would have to commit themselves to the cause of Fredersdorf, would take over direct seats in especially secure CSU constituencies. In support of "generally well-known and accepted personalities" (perhaps presidents of associations such as for example that of the craftsmen's organization) and in the service of the common cause, the former occupants of the seats could also withdraw without loss of face from their rightful claims--if possible entirely "of their own accord" or "in a decision freely made."

According to the calculation, these would be the additional seats on which everything could hinge, especially since the second votes of a party which though it does not clear the 5-percent hurdle at least gains three direct seats do not "go unnoticed," according to the Federal

Election Law, but are fully taken into consideration. With a possible 2 percent of the votes for the Citizens' Party and with 518 Bundestag seats to be allocated, there would thus be those three direct seats plus, let us say, seven second-vote seats. The seats of the CSU itself would remain assured, since they are largely unaffected by the direct candidacies, and according to the d'Hondt procedure the second votes (Land lists) are offset against the direct seats in the tabulating of votes.

Warnings from many directions in the CDU that the coalition parties would try to frustrate such a scheme by means of a change in the electoral system are without foundation. The Federal Election Law deliberately allows the parties the freedom to choose whether they want to have candidates in all constituencies or to "bypass" some of them ("bypassing agreement"). If it were otherwise--it would take away from the smaller parties which are not able to compete in all voting districts the basis for their existence, and in the last analysis it would deprive them of the freedom to take part in the election at all. The lawyers in the Union know: "They would go to Karlsruhe and get justice." This is also known in the coalition.

12114

CSO: 3103

## CSU POLICY DIFFERENCES WITH CDU LABOR WING DISCUSSED

Hamburg DER SPIEGEL in German 30 Jul 79 pp 21-22

[Text] Last week, CDU labor-union leaders delivered their demands to the candidate for chancellor of the Union. Their list extends from comanagement on the basis of parity to shorter working hours.

The CDU/CSU parliamentary group chairman, Helmut Kohl, who is otherwise keen on being seen together with influential labor-union figures, insisted on discretion this time when on Monday afternoon last week he received at the Bonn Bundestag building--which due to the recess was quiet--the notables of the Christian Democratic labor leadership.

Discretion seemed to Kohl to be in order, because a ticklish subject was under consideration: The criticism by the workers' representatives of Franz Josef Strauss, the Union's candidate for chancellor.

Kohl's guests--including the deputy DGB [German Labor Union Federation] chairwoman Maria Weber and her colleague on the executive committee Martin Heiss, Ferdinand Koob from the executive committee of IG Metall [Metalworkers Union], and Hermann Paschen from the top level of IG Textil [Textile Workers Union]--came right to the point. On behalf of the executive committee of Christian-Democratic DGB labor-union members, which is a subdivision of the CDU social committees, they protested against the way in which the Bavarian Christians treat the leftist-oriented CDU secretary general, Heiner Geissler.

They presented Kohl with a note in which they "declare that a withdrawing of Heiner Geissler would be for many of us a clear-cut indication that the CDU would no longer have any chance as a people's party under the current candidate for chancellor." And further: "We agree with Heiner Geissler that Franz Josef Strauss must do a great deal yet to convince his sceptics in the CDU."

When the labor-union leaders demanded in addition that Kohl should "explain this to Mr Strauss," the head of the parliamentary group refused. He said that he had already made it clear to the Bavarian



that "he cannot win the election without Geissler." Then the former candidate for chancellor puffed up: "And he has understood this."

Warming up to his subject, Kohl fell into raptures about how other times were now dawning. Ultimately, he said, Strauss will have to court the favor of the CDU if he wants to make certain of the allegiance of the men in the liberal and social-commitment wings of the party and their voters. A participant at the meeting: "Kohl enjoys this exchange of roles."

Scarcely had the CDU leader completed his remonstrance concerning the ostensibly subdued Bavarian when the labor-union leaders took him at his word. They gave Kohl a detailed list of demands, two pages long, for the approaching bargaining with the CSU about the joint election platform. The following day the labor-union figures also sent their document to the candidate for chancellor in Munich.

The demands of the CDU leftists are all themes irritating to the Bavarian. For example, comanagement on the basis of parity must, it is said, be achieved "through the policy of the Union parties" since a law on associations, which would above all have the effect of bringing the labor unions under State control, must be avoided.

In the same way, in their manifesto the labor-union leaders also demand shorter working hours, for two reasons: In order to remove "unreasonable burdens" on those now working, and in order to better distribute jobs, which are in short supply. And finally they are demanding a clear declaration by the Union of loyalty to the system of pensioning based on gross wages, which for several years now has again and again been placed in jeopardy.

Concluding sentence: "Whoever wants to win elections must accept these positions."

To be sure, Kohl warned against proceeding too rigidly, because--he said--in Munich they have already opened up, just in case, a "ledger"--a list of CDU politicians on whom can be laid the blame if the Bavarian suffers an election defeat because of a lack of allegiance. But thereupon the opposition leader promised to make these demands the basis for his negotiating policy for the next session of the joint strategy committee of the CDU and CSU.

Only in this way, according to the unanimous opinion of this circle, can there be success in achieving, if not the goodwill of the traditionally SPD-oriented labor-union members, nevertheless at least a more moderate attitude on their part toward the Union.

But Franz Josef Strauss, who for the time being put the manifesto on the shelf without comment, does not believe that he can entice

the leaders of the labor unions to be for the Union through offers of social inducements. He felt confirmed in his scepticism when last week the newspaper of the members of IG Metall (circulation: 2.6 million) attacked him head on. Under the headline "The Candidate of Big Money," Strauss was accused of being a disrupter of the unified trade union.

In a talk with his advisors within his circle, the candidate for chancellor made it quite clear that he is not willing to change his style out of regard for the leaders of the labor unions. He is relying solely on his magnetism, even among the workers.

In Strauss' own words: "I am convinced that I--precisely because I come from a family of modest means, because I have never broken away from the man in the street, no matter what my income was--am very close to the desires, cares, needs, grievances, and ways of thinking and acting of the man in the street, of the much-acclaimed ordinary citizen, much nearer than Helmut Schmidt with his arrogance, much nearer than many a person in my own ranks who believes he has the patent formula for winning over the workers."

The CSU chairman quite soon intends to undertake to prove his strong words. As early as at the North Rhine-Westphalia local elections in the autumn of this year, he would like to demonstrate to the Christian Democrats how he can be a hit with the workers along the Rhine and Ruhr.

And at the same time he will also be facing up to his adversaries on the workers' wing: Whereas during the most recent party congresses of the large sister party CDU, he always had someone else sit in for him, now for the first time Strauss has himself signed up for the Krefeld national conference of the CDU social committees, to take place in early autumn.

12114

CSO: 3103

## LONG RANGE TRENDS IN ECONOMY ANALYZED

Duesseldorf WIRTSCHAFTSWOCHE in German 16 Jul 79 pp 41-43

[Article: "The Winner Is the South"]

[Text] If everything continues as it has up to now, soon almost nothing will work anymore. This is shown by the most recent report by Prognosis Inc. on the long-term trends up to 1995: Economic growth will become increasingly smaller. This causes the problems to accumulate.

"Here is solid expertise," which is "refreshingly" different from that "which is produced daily in our country by futurologists and political visionaries." This judgement was expressed to the readers of WIRTSCHAFTSWOCHE by information science professor and professional book author Karl Steinbuch ("Falsely Programmed," "Course Correction").

This large amount of praise was earned by "Report Number Seven," made in Switzerland by the researchers of Prognosis, for many years represented by the most important scientific collaborators of WIRTSCHAFTSWOCHE and as of this year also under a permanent headline ("Economic Data").

"Report Number Seven" came out in 1976 just at the right time with an outlook for 1990. The republic had experienced its first difficult depression, and international inflation, structural unemployment, increasing national deficits and limits to growth became current expressions throughout the republic.

"Prognosis Report Number Nine" has now appeared with an outlook for 1995, weighing almost 9 pounds, with not quite 500 pages of DIN A4 format and about 1,000 tables of tiny print. Its price: 4,000 [Swiss] francs.

And again the report comes at the right time. Because what was previously "already hinted at but not taken into account in its full magnitude" is today viewed more clearly by the research team from Basel: "That with 1973 a growth period came to an end, and that the 1974/1975 recession was not merely a non-recurring decline but constituted the switch to a new path of growth."



In addition: The nation's big questions were not solved during these 3 years, but at the most administered. Since then the problems have even intensified despite forceful economic stimulation. The most important forward research projections up to 1995 are:

- a) The population will shrink to 57.4 million people. That is 4 million fewer than in 1977.
- b) By 1986 the number of employed persons will increase by 1 million, but will then decrease up to 1995 by 1.6 to 26.2 million.
- c) In the same period the number of jobs will be reduced by 1.7 to 23.2 million.
- d) Thus, despite the decline in population, at first 3.4 (1985 - 1990) and then 3 million people will potentially become unemployed. In 1995 this would be the equivalent -- under present conditions -- of an officially registered number of unemployed of 1.6 million.
- e) The gross social product will grow in terms of real value, but only at minimal rates of 2.8 percent on the average up to 1985 and by 2.3 percent in the following 10 years.
- f) Private consumption will grow about 2.7 percent annually but nevertheless slower than up to now. Equipment investments as well are to grow more than average and more rapidly than up to now (about 3.1 percent).
- g) Government expenditure will increase at the same rate as the social product. The burden of taxes and social charges on income will nevertheless expand from 34 to 40 percent.
- h) The rate of price increases will also accelerate (3.5 percent). However, by international standards inflation will remain comparatively modest.

Far-reaching "structural reversals" in the individual areas, sectors and branches are concealed behind these overall figures by Prognosis.

The processing trade must resign itself to increasingly smaller growth rates from 2.8 to 2.1 percent annually. In all three areas the result -- surprisingly enough in the same amount -- is a production surplus altogether of only about 55 to 57 percent in the period 1977 to 1995; this is for basic materials and production goods, investment goods and consumer goods.

The considerable differences begin in the industrial branches. Above average in production are plastics, aviation, office machines, electrical technology, chemistry and wood processing. Otherwise, in most branches of the trade there will be stagnation or decline in terms of real value with respect to domestic turnover, at least toward the end of the period of prognosis.

The big industrial branches will be increasingly confronted with problems. In machine-building the Swiss analysts determine that there will be "import pressure, growing competition in export markets and a deteriorated exchange situation" as retarding factors. Furthermore, "the United States and Japan will have a lead in research and development in individual technologically advanced new developments."

The iron and steel producing industry "will have to contend with negative influences in the future as well;" in vehicle-manufacturing there will be "stagnation tendencies in the passenger automobile sector." Setbacks in domestic sales will also in the textile industry only "partially be compensated for through increased exports," and in the clothing industry "the decreasing income elasticity as well as the population decline will have a restraining effect on demand."

However, except for the oil industry, fine ceramics and leather production and processing industries, an increase, adjusted for price, may be anticipated everywhere in the trade with other countries. In all, foreign sales up to 1995 will grow by a factor of 2.5 in terms of real value and nominally by a factor of five. Measured on a national scale exports will then amount to 32 percent instead of the present 23 percent.

But the escape to faraway markets is not sufficient to maintain the present level of employment. The sharpest decline in the number of workers will be in the leather industry (by 49 percent), printing (35 percent), clothing (31 percent), ship-building, fine ceramics, iron and steel (each 28 percent), rubber processing (27 percent), oil (26 percent), wood-processing (25 percent), glass (24 percent) and the foundry industry (23 percent).

Employment in processing trades will decline altogether by 690,000 persons, in the wholesale and retail trades by 560,000 and in agriculture and forestry by 740,000. Even in construction (minus 250,000), as well as mining (minus 80,000), a decline by one-sixth and one-third, respectively, is calculated for the period 1977 to 1995.

Distributed according to Laenier, the greatest difficulties in the labor market will befall the north. Schleswig-Holstein and Lower Saxony are the only states in the next two decades to have a significant increase in the number of working people, each by about 100,000. At the same time, however, the supply of jobs decreasing here as everywhere in the country. The tremendous discrepancy between the labor force figure and the figure for working people will create a great deal of work for the employment bureaus there.

The explosive situation will only become mitigated, not solved, through offers from the Harseatic cities of Hamburg and Bremen, that is to say through "commuters from the large-area states" (Prognosis) nearby. Since official statisticians do not differentiate between state borders and economic areas, prognoses by Prognosis for this area concerning income, growth and wealth per capita are only conditionally comparable.

The industry is expected to grow above average up to 1995 in the states of Rhineland-Palatinate, Saarland, Bavaria, Baden-Wuerttemberg and Bremen. The highest growth rates in construction will result in Baden-Wuerttemberg, Schleswig-Holstein and Lower Saxony. However, in the future the total progress for the good of the country will come not so much from the secondary as from the tertiary sector, from the area of services.

Thus, it is obvious in the competition for growth between the states that the winner is the south. Measured by growth in gross domestic product per working person "Bavaria, Rhineland-Palatinate and Hesse are unequivocally at the top," according to Prognosis calculations.

11949

CSO: 3103

## PLANS TO REFORM CNRS DISCUSSED

Paris LE POINT in French 30 Jul pp 26-27

[Article by Michele Cotta: "CNRS: Martyr to Obesity"]

[Text] Valery Giscard d'Estaing has turned the leadership of the CNRS [National Center for Scientific Research] over to a fine-toothed comb. The results are dynamic. Alice Saunier-Seite has decided to cauterize the wound.

Alice Saunier-Seite, minister of universities, was as fearless as always. Usually bills or decrees are not made public until they are adopted by the Council of Ministers. She broke with this practice by leaking her plan to reform CNRS, a plan for which the Council of State has not yet given approval.

Was this done to demonstrate that this project was "her child?" One might say, and underscore it with a wink, that this project was "naturally approved" by Pierre Aigrin, secretary of state for research, and by Raymond Barre. Were they hoping to profit from the summer demobilization of the unions? Whatever the reason, the CNRS, which accounts for 8,300 full-time researchers, 13,660 engineers, technicians and administrators and a budget of 3.35 billion francs, is no longer a taboo subject. Its "scandals" are no longer revealed in a whisper. It is going to be transformed. This is sworn to, this has been promised.

What will be the extent of this transformation? That is the significant question. Is the purpose of this reform to "simplify and accelerate the scientific and financial activities of the CNRS by a real decentralization of its administration?" In order to comprehend the scope of this reform we must first describe the evils affecting this organization, which some have called truly inoperative.

Three inquiries and three reports, at Giscard's request, give us some idea. The first report, which came from the general board of investigation of the Department of National Education and Universities, is secret and will

remain so. An expert who has read it carefully said that this secrecy is "preferable for many people!" The second report was limited to an investigation of finances; it too will remain secret. The third report, coming from the Auditing Office, is the only one which has had the advantage of being made public. It constitutes the type of indictment which is both cruel and composed.

The first count of the indictment is the confusion within the system. This is caused by the multiplicity of offices which combine to support research and by the complexity of the relationship between the universities and the CNRS. A cat would not be able to find her own kittens there. The Audit Office has said that it happens that "the CNRS makes basic decisions about the status of teaching researchers without consulting the universities and does not even inform them of these decisions."

For example, in 1976, in Lyon the laboratory for the biology and technology of membranes, which functioned on university premises became a laboratory for the CNRS. How did the employees of the laboratory learn about this? They learned through the mail when they noticed that the name of the laboratory had been changed. This example says a great deal.

Another example of this confusion is that the money distributed in contracts by public authorities or by private enterprises is more and more frequently used for the daily functioning of laboratories. "Thus a hospital laboratory in Richat provides for the replacement of chairs, stools and a refrigerator under a research contract."

Take note, the Audit Office concluded on this subject, we are not saying that the money was poorly spent, but nevertheless one ought to know what one is doing.

The second count of the indictment is aimed at the research personnel. The judges severely reprimanded those in higher education who easily forget their research obligations. They were not any more lenient with full-time researchers at CNRS. Certainly, they say, these people are not civil servants and do not benefit from a guarantee against eventual dismissal. However, in practice, it appears that 97 percent of them devote their entire careers to CNRS. The average percentage of older personnel thus becomes a serious threat to research. It should also be added that no one, or almost no one, is thanked, even when the researcher is deluged with often critical evaluations from their superiors who are scientists.

On this subject the Audit Office has indulged in a little purple prose. In 1978 the mathematics department voted to renew the position of a research employee of some 6 years "who barely does any research and has only sporadic associations with the laboratory." In the department of mechanics they found the case of a research employee "whose work would be difficult to judge in the absence of publications." The department of theoretical physics did not oppose the appointment to a position of



assistant researcher of a research employee whose "work for the last three years cannot be called scientific." Other researchers are described as having "done almost no work and having only symbolic publications." The delicate vocabulary is accurate enough to describe these prodigious parasites.

The third count of the indictment involves the failure of efforts to utilize scientific research. In principle, all CNRS discoveries must be transmitted to ANVAR (National Agency for the Evaluation of Research) which, among other thing, clarifies the work and issues the necessary patents.

Such is not the case. The Audit Office confirms that: "Taking into account the number of research employees working in scientific disciplines were patented works might result, there is an instance of patents issued equal to one every 65 years per researcher." If the "inventions" do not end up at ANVAR, they are not entirely lost. The report cited examples of several researchers who quite simply created private companies, some of which function in these very laboratories!

The paradox is that this picture etched in vitriol hides, in spite of everything, a deeper reality. A highly placed employee of CNRS, who is favorable to the center, says that the report, "has not told everything." Indeed, after reading the report one has the sense of approaching the edge of a catastrophe. Nevertheless, one has only to meet research directors and visit the laboratories to discover that, in both the exact and social sciences, the CNRS is also staffed with researchers working devotedly. For them the Audit Office's report was, without a doubt, an affront. However, they must maintain solidarity. Even if they suffer thereby, they are not going to say that some of their colleagues are not doing very much. Cyrano jested about his nose, but he did not allow others to do so.

In truth, over the past 40 years the CNRS has become an enormous bureaucratic machine which has finally paralyzed itself. "One finds the worst and the best there," says an expert. "And the worst is the added fat which keeps both the administrative and the scientific sectors from functioning. In a way, you might say that our research is suffering from obesity."

What remedies does Alice Saunier-Seite offer?

--The first step will be to get rid of this bicephalism which flourishes at the top and has negative ramifications all down the line. Thus, the CNRS will have only one director, instead of both a general director and an administrative director. Those currently holding those positions, the physicist Robert Chabbal and the administrator Pierre Creysse, now communicate only through official minutes.

--The second step is the transformation of the 28 member administrative council which has been weak and which is presided over by the state councilor,



Antoine Bernard. The new council will have 15 members, six of whom will be scientists and four of whom will represent industrial and applied research. The council will have broad powers and will be presided over "by a high-level scientist, one likely to receive a Nobel prize, who should be 40 to 50 years of age, who has a past and also a future."

--Finally, some administrative decentralization will take place thanks to the extending of the scientific directors' decision-making powers and to replacing a priori control of expenses by a posteriori control, within certain limitations.

Thus the technocrats' power will diminish in favor of the researchers, even if the latter must be more often than in the past appointed rather than elected. Watch out for this new form of pedantry!

There remain two questions for which there are no answers at this time:

--Will the administrative reform of CNRS be followed by the essential reform: that of the researchers' status and their relationship with industry?

--With new men and new structures will the government succeed in developing and then operating under a policy which, in consideration of the crisis, will favor applied research at the expense of fundamental research?

Truthfully, the debate on this point has only just begun. Moreover, we must be careful; it is not a simple question. Alice Saunier-Seite herself is fond of saying wittily: "If, for centuries, research was only applied research, we would have probably improved the oil lamp, but might never have discovered electricity."

9161

CSO: 3100

## BRIEFS

DEFENSE WHITE PAPER--The UDF is preparing a "white paper" on defense for release in October. The Giscardians want to launch a debate on the new armaments techniques; "These could lead", they say, "to an upheaval of strategies comparable to the one that resulted earlier from the appearance of the first atomic bomb." [Text] [Paris LE POINT in French 20 Aug 79 p 22]

CSO: 3100

## DETAILS OF EXISTING, PLANNED SOLAR INSTALLATIONS, PROGRAMS

Turin FONTI DI ENERGIA ALTERNATIVE in Italian Sep-Oct 78 pp 45-51

[Article by P. Della Seta, Community of Rome, Technological Services Advisor, and D. Ippoliti, Community of Rome, 6th Division: "The Role of Local Entities in the Energy Field: Applications of Alternate Forms of Energy in the Community of Rome"]

[Text] 1. The Role of the Communities in the Energy Industry

In the context of an energy policy, aimed at rationalizing and harmonizing resources and consumption, eliminating waste, and promoting the optimum utilization of various energy sources, the local entities can also play a very important role, supplementing and integrating the roles which must in this sector be played by parliament and the government, roles which perfectly fit in with the "model" of institutional organization found in Italy, a model which calls upon the communities and the regions to become integral parts of the state and decentralized parts of the same. The urgent need for intervention by the local entities is further underscored by the scarcity of utilizable energy sources and by the prospects of the rapid exhaustion of available stockpiles on a worldwide scale. This intervention becomes downright indispensable in a country such as Italy which, for its energy supplies, depends completely on foreign sources, a country where the energy deficit is one of the essential points in the balance of payments and in the entire condition of crisis in the Italian economy.

Taking these requirements into consideration, it is true that a law was passed recently in Italy, that is, Law No 373, which assigns tasks to the communities pertaining to controls over new thermal power plants and over the insulation of buildings, checking out compliance with the standards spelled out in the law and designed to hold energy consumption for building heating purposes down.

But that is also the direction of all of the initiatives and experimentation going on in the local field in terms of research on and exploitation of alternate and marginal energy sources (burning solid waste, utilization of minor water resources) as well as the establishment of multiservice

enterprises under city control, on which we had an updated report at the recent Stresa conference of CISPEL [Italian Confederation of Public Services of Local Government] (Stresa, National Energy Conference and Local Entities, 11-13 May 1978).

However, most of the way along this road has yet to be covered. Its principal directions could however essentially be the following:

- (1) Energy distribution management, considering the fact that the organization and management of the territory are primary missions assigned by law to the communities and that the transmission and supply of energy are fundamental means of urban development and territorial organization;
- (2) Research for and exploitation of all potential minor energy sources, that is, those that can be better identified and upgraded as a result of local initiatives, rather than effort by government agencies on the national level but which nevertheless can usefully make a positive contribution to the overall energy balance;
- (3) The implementation--on the local territorial level--of that integrated energy distribution policy which, if we are going to have the establishment of a national coordinating center for organizing the "premises" (Ministry of Energy, National Energy Council), must thus find organizations capable of organizing the proper conclusions in the local bodies of government.

It is clear that this entire debate cannot schematically be tied in with the real situation of the communities, such as it looks today, with the territorial divisions existing in their current status; instead it is necessary first of all to outline the precise areas of competence between the national level, the regional level, and the local level; second, it is necessary to identify the optimum dimension of the territory which must be invested with the same initiative as the local entity, where necessary proceeding to the formation of bodies with local authority or other similar consortial organizations; it must also be clear that this policy yet remains to be drafted in its entirety; Italy must catch up here also with respect to other countries.

## 2. Energy Applications: Solar Energy

What has been said generally regarding the various energy sources certainly is entirely valid for the case of solar energy.

In the conference organized in Rome by the Community last January, we indicated four reasons that make solar energy a field of just about obligatory intervention for the local entities: Need for promotional effort; the fact that this involves a widespread energy source, within everyone's reach; the immediate link which it has with the construction of the particular building, in other words, with a sector that is strictly under the authority of the Community as such; the fact that this is "clean" energy and that it therefore performs an essential function in safeguarding the environment and the territory.

As we know, solar energy is not an energy that is ready for use today on the industrial level. As a matter of fact, it still requires vast, in-depth technological accomplishment; but it also involves noteworthy exploitation possibilities. The first task in this field facing the local entities thus is to conduct a sufficient and adequate information and propaganda effort; while providing an exact feeling as to the enormous potentially available possibilities, this effort must avoid the illusion of short-range miracle solutions and must help everybody understand the need for the efforts that must be made today in order to obtain concrete results tomorrow.

The applications of solar energy which at this time may be of concern to the local entities are those which involve medium and low temperature, that is to say, those that utilize the capture of solar radiation for heating certain environmental spaces and for the production of hot water. In this sector, energy is directly tied to construction methods and building plans; the construction industry (private, contract, or public) becomes involved in this field of intervention and regulation by the local entities.

In broad outline, we must keep in mind that about 20 percent of the total energy consumed in Italy is destined for domestic use; 98 percent of that share are consumed for heating and only 2 percent go for lighting. The energy for these household uses is furnished to the extent of 88 percent by fuels (mostly gasoil for heating) and to the extent of 12 percent by electric energy.

Regional applications of solar energy, along with the development of experiments and technologies in this sector, therefore can have a noteworthy effect on this consumption (especially on petroleum fuel consumption) and can add up to a considerable benefit for Italy's balance of trade.

This is why it is clear that the local entities not only cannot simply avoid the solar energy problem but must in this field assume consistent initiatives and develop their important role for the sake of the broader dissemination of solar energy for civilian uses.

### 3. Initial Applications of Solar Energy in the Community of Rome

In April 1977, the Community of Rome decided to start the construction (by way of experiment) of two solar energy plants to be put up in children's shelters [kindergartens].

A first plant, intended only to heat water for hygienic and sanitary uses, was built for the kindergarten on Romagnoli Street; the second plant, which, in addition to water heating also provides space heating, was built in the kindergarten on Galline Bianche Street.

### The Romagnoli Street Kindergarten

The communal kindergarten on Romagnoli Street was ready for use by the beginning of 1977-1978; there, 14 solar collector panels, covering a total surface area of 21 square meters, were installed for water heating purposes.

The functional diagram for the solar plant, included in the already existing plant, is shown in the attached drawing (Figure 1).

The technical data pertaining to the plant in question are as follows:

Primary circuit circulating load 1,000 liters per hour;

Storage tank volume 2 cubic meters, making it possible to meet the facility's hot-water requirements for about two days (hot-water supply temperature 60 degrees Centigrade);

Exchange surface of pipe coils submerged in tank: 12 square meters;

Pipe insulation made of mineral wool with a thickness of four centimeters;

Glass wool tank insulation, 20 centimeter thickness to limit heat losses to about 1 degree centigrade per day.

As far as the output of this first plant is concerned, we already have some significant data, obtained during three different days throughout the year. Here they are:

Clear day, February, heat quantity supplied by solar plant 22,000 kilocalories per day, amounting to 58 percent of the facility's hot-water requirements;

Clear day, March, 30,000 kilocalories per day, amounting to 79 percent of the hot-water requirements;

Clear day, April, 36,000 kilocalories per day, amounting to 95 percent of requirements.

### Kindergarten on Galline Bianche Street

The solar plant at the Galline Bianche Street kindergarten is intended for hot-water production and space heating.

It consists of 12 parabolic concentrators with a linear firing unit, having an effective catchment surface of 22 square meters.

The parabolic mirrors [reflectors] are rotated by means of a servomotor, driven by a solar sensor.



The energy captured by the concentrators is transmitted to a mixture of water and glycol which yields heat to the two thermal storage batteries respectively, for hot water and for the heating plant, arranged parallel.

Into the hot-water thermal storage battery [accumulator] comes cold water from the pipeline while return water from the heating units gets into the thermal storage battery of the heating plant.

Whenever this return water reaches a temperature higher than that of the thermal storage battery, a threeway valve makes it possible to bypass the storage battery itself. The operating diagram of the solar plant is shown in the attached drawings (Figure 2).

Here are the technical data and the dimensions of the plant:

Primary circuit circulating load 1,200 liters per hour;

Accumulation tank volume 2.5 square meters [sic], making it possible to meet the hot-water requirements for hygienic uses for about three days (at a supply temperature of about 40 degrees Centigrade);

Exchange surface of pipe coil submerged in tank 6 square meters;

Pipe insulation consisting of mineral wool with a thickness of 4 centimeters;

Tank insulation consisting of glass wool with a thickness of 20 centimeters, making for a temperature loss of about 1 degree Centigrade per day.

Here we do not have any plant output data since the kindergarten will not open up until October 1978.

The CNR [National Research Council] will furnish a series of instruments so that we may be able to determine the daily output of the plants, to check on operational performance, and to verify the development of the components in terms of time.

#### Solar Energy Program Development

These lessons were learned over a span of one year and will be finalized for the further optimization of installed plants; they will supply indications for the projects which the community administration is drafting. The amount of 100 million lire has been allocated for 1978 to support initiatives on solar energy utilization and for the optimum exploitation of energy sources.

Here we propose to use a portion of the funds for the installation of solar energy plants to produce hot utility water in some kindergartens currently under construction so that we may make decisions on the progress of activities and on the most suitable conditions for putting up solar plants on the basis of timely criteria.

The administration also proposes to tackle a vast effort involving new buildings to be put up as part of the three-year program in the kindergarten and school building construction sector.

During the first year, ten out of 50 kindergartens, scheduled for the three-year interval of 1979-1981, will be built with structures and plants providing for complete solar energy utilization to meet the local heating and hot water production requirements through the installation of a traditional [conventional] subsidiary plant intended to back up the solar plant in case of a prolonged period of bad atmospheric conditions.

During the following two years, the construction of kindergartens completely equipped with solar energy will vary in relation to the economic results achieved on the basis of the lessons learned during the first year.

For the remaining 40 kindergartens however we will provide solar plants for the production of hot water.

The same program also applies to maternity homes.

As far as the elementary and middle schools are concerned, however, considering the larger volumes involved, we will provide for the construction of structures and plants geared toward the integral utilization of solar energy in a single complex only, for the purpose of evaluating their yield with a view to future action.

On request of the administration, the ACEA [expansion unknown] and Feder-tecnica [Technology Federation] are presently conducting a study on environmental conditions and on the heating requirements of the Maccarese enterprise for the purpose of identifying suitable initiatives in the field of solar energy application in agriculture.

A second national conference will be held this year with the topic "architecture and solar energy."

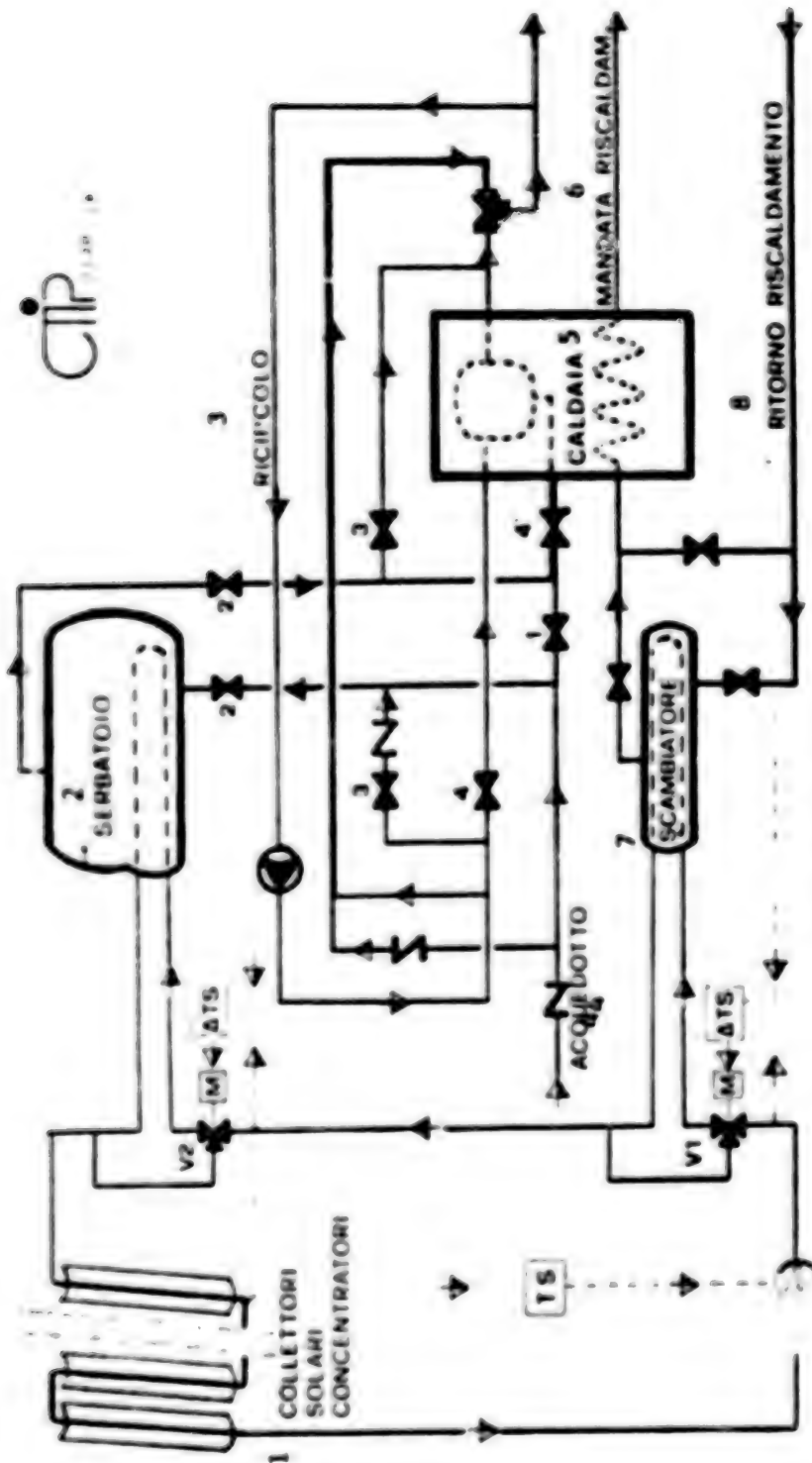
Parallel to this initiative, a permanent sample of solar plant applications will be put up near Cristoforo Colombo Street through practical installations on prefabricated structures. The area will be made available free of charge to any companies that wish to display their products and that will have to submit a blueprint of the proposed undertaking to the office recently established under the 6th Division of the Community of Rome. The purpose of this initiative is to publicize solar energy applications by furnishing answers and suggestions for potential users.

#### 4. Other Utilizations of Alternate Energy Sources

The ACEA is also presently involved in experimentation with and application of alternate energy plants. In the context of initiatives aimed at rationalizing the use of conventional fuels, it examined the possibility of

installing a complex of equipment in the building of the Remote Control and Data Processing Center for the production of thermal energy, consisting of a battery of solar collector panels and a TOTEM (Total Energy Module) thermo-electric generator which, in the current state, at least in Italy, constitutes the smallest specimen of equipment for the combined production of electric energy and heat. The TOTEM is a unit made by FIAT, made up of a 903-cubic centimeter cylinder combustion motor (Model FIAT/127-A), fuelled with LPG, connected to an asynchronous generator which furnishes a power of 15 kilowatts at 380 volt. The heat contained in the discharge gases is recovered and is utilized, through a series of exchangers, for the production of hot water with a temperature of 85 degrees Centigrade, enough for use in the heating plant. The thermal potential of a TOTEM is 38 kilowatts and the total yield of the system comes to 92 percent. The electric energy produced by the generator is conducted into the existing electrical power distribution network. To define the performance under actual operating conditions in the installed system through the use of adequate instrumentation, we will keep track of the average output of the plant for the purpose of evaluating the technical-economic aspects with a view to possible future use.

Considering that the TOTEM was made available free of charge by FIAT, except for maintenance and attendance fees, the cost of the solar collectors, the regulation and measurement instruments, as well as assembly comes to 36 million lire. Another initiative involves a small, total-energy power unit in a newly-built small country mansion owned by a cooperative. It supposedly will turn out 150 electrical kilowatts which the establishment would conduct into its own low-voltage distribution network, plus 300,000 kilocalories per hour which would be used in the heating plant of the mansion itself.



IMPIANTO SOLARE ASTILO NIDO VIA DELLE GALLINE BIANCHE

Figure 1. Galline Bianche Street Kindergarten Solar Plant. Key: 1--Solar collectors, concentrators; 2--Tank; 3--Recycling; 4--Water pipeline; 5--Boiler; 6--heat delivery; 7--Exchanger; Heating return.

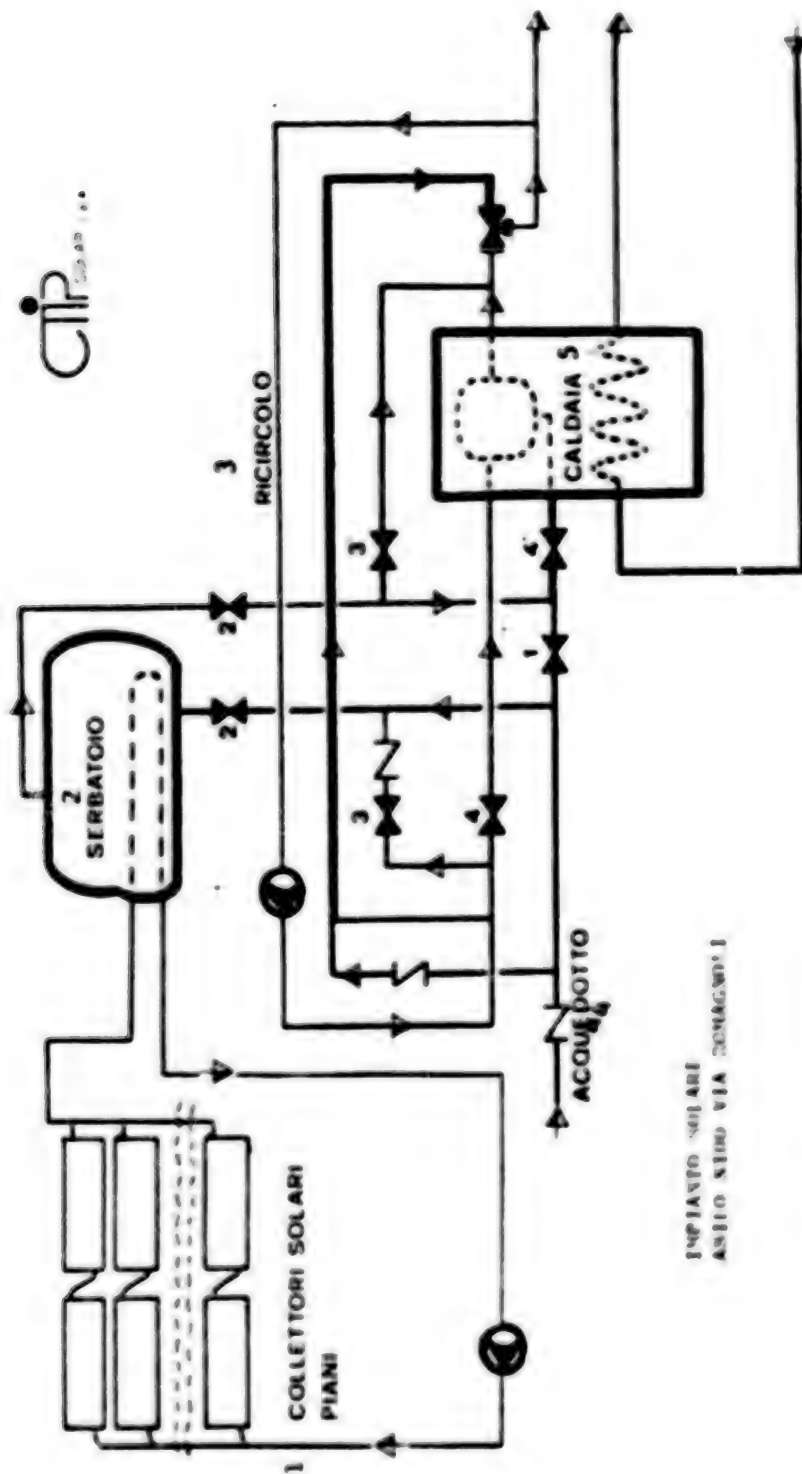


Figure 2. Romagnoli Street Kindergarten Solar Plant. Key: 1--Solar Collector panels; 2--Tank; 3--Recycling; 4--Water pipeline; 5--Boiler.

## SOLAR ENERGY RESEARCH PROJECT IN PROGRESS

Turin FONTI DI ENERGIA ALTERNATIVA in Italian Sep-Oct 78 pp 3-5

[Editorial by Publio Fedi: "The Finalized 'Energy' Project of the National Research Council"]

[Text] Our magazine covered this subject in its first issue in 1978 (see "The Finalized Energy Project of the CNR [National Research Council]", FONTI DI ENERGIA ALTERNATIVA, No 1, January-February 1978, p 37); here we described the origin of the Finalized Energy Project, its subdivision into ten programs (or subprojects), and the research in progress as of the end of 1977. The project is now halfway along; almost 2-1/2 years out of the five years scheduled for it have passed and some of its programs--those which from the very beginning were scheduled for a shorter time--are almost ready, while some new initiative is being launched.

Programs pertaining to energy savings in traction and in the use of methanol are almost finished; a span of three years was planned for those pertaining to traction and four years were anticipated for those pertaining to methanol. Both of them will be completed with the 1979 executive project, although research would be conducted only during half of that last year. In other words, research pertaining to traction will be completed by the required deadline and research pertaining to methanol is ahead of schedule.

We are thus on schedule regarding the management level. But what are the results on the scientific level?

Here again, results are more than satisfactory because 80 percent of the targets initially established have been attained; among them are some that looked difficult in the beginning and that we were afraid we might not be able to finish six months or so ago.

Among the results of the programs pertaining to energy savings in traction, we also have some specific targets (involving not only specific knowledge as is frequently the case in research); in other words, we have results



here which the man in the street is particularly sensitive to. Some of these targets have already been presented at the Turin auto show last April; here we might recall the profile of an ideal aerodynamic vehicle, shown at the Pininfarina stand; the stratified load motor with preliminary chamber and continuous automatic exchange, shown at the FIAT stand, as well as a rotor of the unconventional type, for flywheels, displayed at the PIRELLI stand.

Other results are emerging and can certainly be achieved during 1979; among them we have those pertaining to the small-cylinder, direct injection Diesel motor, kinetic energy recovery in automotive vehicles during the braking phase, the hybrid bus, the modular motor, the recovery of thermal energy at the internal combustion engine exhaust.

One of the research projects under the traction program involves a problem which so far has never been taken up: The anticipation of mobility requirements as a function of a whole series of territorial and social-economic data. Several years of application will obviously be needed to determine whether the methods worked out are efficient; but it is comforting to know that already during current research, several communities (including one of the biggest in Italy) asked for the information learned during the project for use in connection with specific studies on which urban transportation reorganization can be based. This means that research is tackling a real problem which is felt as such by public administrators.

Progress on the methanol utilization subproject is also promising. The experiments conducted so far concerning the use of methanol in automotive traction, by mixing it with gasoline, yielded substantially positive results; fleet tests are currently in progress to make a thorough determination of the performance, in terms of time, of engines fuelled with gasoline-methanol mixtures.

Experiments on the use of methanol in furnaces and boilers, by itself, or together with fuel oil, have also been positive.

The favorable and rapid results from these two subprojects are tied to the fact that, in these sectors, we started with vast previously available knowledge which enabled us, in the feasibility study, to put together a highly detailed and accelerated program, while the other subprojects did not benefit from such a favorable starting situation.

The subproject that encountered the greatest difficulties involves energy savings in building heating; the execution of the program worked out through the feasibility study encountered practical difficulties which in turn called for a real and proper prior research study in order to discover means that would facilitate execution.

An important and very significant part of the program as a matter of fact consists of two research topics which are intended to determine above all

the thermokinetic characteristics of existing building-and-heating plant systems in order then to define the quantitative effects of the various types of possible action aimed at reducing consumption; this substantially involves the automatic regulation of the heating plants, the heat insulation of wall, and external floors, and the use of double glass panes [storm windows] for the windows.

The results of this research effort will facilitate not only the determination of the most effective steps to reduce consumption in existing buildings but also to spell out criteria for planning future building-plant systems.

The first of these two research topics is designed thoroughly, in full detail, to clarify the thermokinetic performance of a limited number (six) of existing building-plant systems; the second topic is concerned with extending the results obtained in the first topic to an extensive group of existing building-plant combinations (600 building-plant systems), as being representative of the average national situation.

If the research is to be significant in practical terms, it must be conducted on inhabited buildings; and when an attempt was made to set up the buildings to be examined under the first topic, one substantial difficulty was encountered: To get all of the data necessary for an in-depth examination, it was as a matter of fact necessary to install, in the apartments, a considerable number of sensors whose wire connections obstructed and considerably disturbed living conditions in the apartments. Since the research project lasts several years, this situation could not be implemented. It was therefore decided to switch to instrumentation based on radio links which however could not be obtained even abroad. An Italian company then offered to supply the instruments; but the required time was longer than initially anticipated and, moreover, this instrumentation--which, as we emphasized, is an absolute novelty also internationally obviously encountered development problems which required more time for resolution. The situation was so developed that the data collected are automatically recorded in a numerical form on a magnetic support [tape] which can be directly inserted into the processing unit, making it possible to develop the research in depth to a considerably greater extent than had been planned when it was necessary to be concerned with keeping the vast volume of data collected within limits that would not be prohibitive in terms of their subsequent classification and processing.

Quite obviously, a certain period of initial checking was necessary before good reliability of data could be achieved; it was therefore possible to start the systematic data collection program only as of the first few months of this year and we therefore do not as yet have any results due to the fact, that among other things, the useful period of time for data collection was confined to the period when the heating plants were in operation.

The delay in the start of the research as such however was balanced out by the fact that the CNR program constituted a stimulus and motivated the development of instruments which, as we said, constitute pioneering systems worldwide.

The other important research group on the topic of energy savings, arranged within the Miscellaneous Technologies Subproject, is located on a level between the two extreme cases examined because there were no obstacles in launching it that could be compared to research on buildings and because it does not produce objects but rather only knowledge, as had been planned from the very beginning.

It must be said however that many of the research efforts here are pointing to the acquisition of knowledge of tremendous importance and sometimes of great scientific value, as in the case of the topic concerning the improvement of the output of steam turbines.

The subprojects pertaining to unconventional energy sources started with a little bit of a delay concerning those dealing with energy savings; they involved solar energy, geothermal energy, and energy utilization from urban waste. However, all of them are now underway to some degree and they have already attracted the attention of foreign circles.

The solar energy subproject for example provided scientific support for some practical undertakings carried out by the Community of Rome and through the initiative of the Ministry of Industry.

The ENEL [National Electric Power Agency] and the ENI [National Hydrocarbons Agency], represented by the AGIP [National Italian Oil Company], which, on the basis of a decision by the CIPE [Interministerial Committee for Economic planning] are assigned the task, by the state, of evaluating and utilizing geothermal resources, proposed that the geothermal energy subproject coordinate its activities with theirs through an agreement now being worked out by virtue of which the subproject itself will be assigned the task of developing activities of a more specifically scientific character in close connection with those of a more practical character, carried out directly by the ENEL and the AGIP.

The subproject concerned with the utilization of energy from urban waste was urged, by interested circles, to hold an information seminar--last April--on the occasion of the specialized demonstration held every two years at the Padua Fair (Seppollution); it was also asked to expand its activities, extending them among other things to industrial waste, something which it has already begun to work on through the 1978 executive project.

Among the results of research promoted by the energy project we must consider also those pertaining to the modification of habits and habitual attitudes; on other occasions, we emphasize the development of a habit of collaboration between university research and industrial research; but one must also point up the importance assigned by some industries to the fact that, through the initiative of the finalized project, total collaboration was launched in many sectors so that there are no longer any reservations on the research level between competing companies and outfits, something that was not considered possible before the new climate created by the joint collaboration effort under the energy project.

Finally it must be stressed that two new research lines will be proposed in 1979; the first of these pertains to the integrated use of energy on the territory and the second one deals with identifying the problems that will arise from the future increase in coal consumption, in line with the directive approved in this sense by the CIPE; among these problems it will be necessary to identify those to which a research effort must be devoted by the CNR.

Given the deadlines within which the energy project must conclude its activities, the research on these new lines cannot be conducted by the time of its termination; but it can yield intermediate results which can constitute the input for a new initiative which certainly will have to be started at the end of the energy project.

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## SOLAR ENERGY RESEARCH, INSTALLATION FIRMS

Turin FONTI DI ENERGIA ALTERNATIVE in Italian Sep-Oct 78 p 28

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AMPERE Sas. - Strumentazione Apparecchiature Industriali - Via Scarlatti 26 - Milano  
ANSALDO - Società Generale Elettromeccanica - Via N. Lorenzi 8 - 16152 Genova  
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 MABOSUN Sas. di Luigi Botter & C. - Via Baromio 17 - 26100 Cremona  
 MIAZZON Collettori Salari - Via della Repubblica - 36063 Marostica (Vi)  
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SOLAR ENERGY CONFERENCE TO BE HELD IN MILAN

Turin FONTI DI ENERGIA ALTERNATIVE in Italian Sep-Oct 78 p 56

[Text] The 18th International Conference on "Solar Energy, New Prospects," will be held in Milan between 23 and 27 September 1979 under the sponsorship of COMPLES [Mediterranean Cooperation For Solar Energy].

The following topics will be taken up:

Solar systems, with total energy, in the civilian, industrial, and agricultural energy economy;

Thermal processes;

Small solar power plants (50-500 KTU);

Progress in methods of mechanical and electrical energy storage;

Progress in the storage of heat and the generation of new fuels;

Solar-assisted urban systems for efficient energy use;

Hybrid-power solar power plants (systems using solar radiation, wind, and other renewable and nonrenewable energy resources);

Biological, photochemical, and photophysical processes;

Progress in the construction of components and systems for conversion and control;

Progress in materials;

Standardization aspects;

Social, political, and economic aspects.

Participation applications and studies should be sent to the office of the secretary of the 18th International Conference of COMPLES attached to the financial consultation office, Via di Propaganda 27--00187 ROMA--Telex 80044 UNIVCA.

Deadline for submission of studies: 30 May 1979; format 25 x 16 cm; abstract maximum 400 words.

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## TEXT OF RENEWABLE RESOURCES LAW ON NATIONAL ENERGY PLAN

Turin FONTI DI ENERGIA ALTERNATIVE in Italian Sep-Oct 78 pp 32-34

[Text] In starting this new column, we are happy to publish the bill based on a government initiative and designed to provide incentive for the discovery of alternate energy sources (in particular concerning solar energy). This bill was recently passed by the cabinet (October 1978).

## Article 1

In order to promote the development of technologies for the utilization of renewable energy sources within the context of the National Energy Program, with particular emphasis on solar energy, this bill is intended to regulate and coordinate the government planning and action instruments aimed at speeding up the industrial takeoff phase for renewable energy utilization technologies on the domestic market also through a closer institutional tie-in between the phases of applied research, demonstrative development, and industrial production.

For the purpose of this law, the following shall be considered "renewable" energy sources: Solar energy, wind energy, wave energy, and the energy that can be recovered from the processing of vegetable products and other organic waste.

## Article 2

Within the framework of the national energy program, the Ministry of Industry, in coordination with the Ministry of State Participations, to the extent that its competence is involved, draws up five-year programs for the purpose of promoting the development of technologies for the utilization of renewable energy sources, especially solar energy, as well as the development of industrial initiative in the sector concerned with the production of plants for the utilization of these sources and to enable the nation's industry to achieve a qualified presence on foreign markets.

The programs and pertinent annual updating are subject to approval by the CIPE [Interministerial Committee for Economic Planning]. The committee's meetings are also attended by the minister in charge of scientific and technological research coordination. The first five-year program to be submitted to the CIPE within three months from the date of entry into force of this law is to pursue the objective of introducing renewable energy sources into the national energy balance to such an extent that at least one percent of the need will be met from these sources.

#### Article 3

For the purpose of the implementation of the five-year programs mentioned in the preceding article, the CIPE--where necessary, in coordination with the regions--is authorized to issue, also by way of repealing current regulations, certain directives needed for the coordination and finalizing of all useable incentive-providing public instruments according to the standards of the laws in force concerning the limitation of research and experimentation programs as well as technology demonstration programs involving the utilization of renewable energy sources and the implementation--by the individual or associated enterprises--of industrial initiative aimed at the production and export of utilization plants.

#### Article 4

The manufacturers and importers of renewable energy utilization plants must submit prototypes for preventive coordination by the Ministry of Industry which will perform this function directly or through appropriately authorized agencies or institutes.

Final program coordination approval will be based on the way in which the prototypes also meet the most economical output conditions in relation to the progress of technology.

#### Article 5

The utilization of solar energy for heat supply plants where the temperature is less than 100 degrees Centigrade is free.

The installation of solar collector panels is subject to some authorization and also some specific requirements when the project is handled within the guidelines pertaining to urban development instruments.

In keeping with the provisions contained in this law, the communities will issue special regulations for housing construction projects employing solar collector panels.

#### Article 5-1/2

For the purpose of the preceding Article 1, one quarter of the expenditures arising from the procurement of plants designed to supply heat and utilizing the solar source or other renewable energy sources, involving any type of use, shall be annually deductible from the taxable income both of individuals and of corporations, for a duration of five years as of the completion of the plant's installation, provided that the equipment used has been cleared and approved according to the provisions of Article 4 of this law.

For the purpose of developing--in the space heating and hot-water generation sector for hygienic and sanitary uses--a market for heat and not only a market for plants, the five-year plan (mentioned above in Article 2 of this law) shall provide for the installation, on national territory, of demonstration plants for uses for which the energy furnished in the form of heat, coming from renewable energy sources, properly accounted for, shall be billed according to prices established by the CIP [Interministerial Price Committee].

The economic operators, who wish to offer contracts to users for the supply of heat, within the limits provided for each year in the five-year plan, may avail themselves of government financing in the form of a loan which is to amount to the funds provided for in Article 3 of Law No 675, dated August 12, 1977, for an amount equal to 2 billion lire for FY 1978, 4 billions for FY 1979, and 6 billions for each of the fiscal years of 1980, 1981, and 1982.

Financing shall be commensurate to the annual amount of heat furnished, coming from solar sources (or from other renewable energy sources) and it shall be given according to the technical-economic method of utilization established in the implementation regulations for this law.

#### Article 6

Within three months from the date of entry into force of this law, the Minister of Public Works, in coordination with the administrations involved, shall issue standards to spell out general technical-design and standard-housing design criteria in the area of subsidized and contract housing as well as public housing in order to facilitate the employment of heliothermal systems.

#### Article 7

For contract or cooperative residential housing construction developments, using heliothermal plants, the tax provided for in Article 3 of Law No 10, dated 28 January 1977, shall be reduced by one-third between 1 January 1979 and 31 December 1983.

#### Article 8

The generation of electrical and mechanical energy, using renewable energy sources, is free for any time of use and not subjected to any authorization, provided the maximum operating power is not in excess of 500 KTU and the energy is distributed within the confines of the joint ownership of buildings, consortium, cooperative, entity, or company which holds title to the plant. The placement of these plants may be authorized by the communities also in areas classified agricultural in urban development plants. The provisions of Law No 1643, dated 6 December 1962, remain in effect for plants with an output in excess of 500 KTU.

#### Article 9

Within the context of the five-year program mentioned above in Article 2 of this law, the minister of industry, after hearing from the regions and the ENEL [National Electric Power Company], will issue to the ENEL itself the proper directives for the completion of rural electrification in Italy also through the employment of autonomous energy production systems using the solar source (and/or other renewable energy sources) and/or total energy systems.

Similar provisions will apply to those rural areas which have been classified by the ENEL as underelectrified.

For this purpose, the ENEL will take steps to procure on the domestic market the plants necessary for this purpose in quantities specified annually within the national program mentioned in Article 2 of this law and it will see to the installation and maintenance of the plant itself.

Twenty percent of the funds necessary for the implementation of the rural electrification program, to be carried out through the employment of systems mentioned above in the first paragraph of this article, shall be taken care of by the ENEL; the other funds shall be drawn from the fund provided for in Article 17 of Law 984, dated 27 December 1977, in an amount equal to 4 billions for FY 1978 and 10 billions for each of the fiscal years of 1979, 1980, 1981, and 1982.

#### Article 10

The finance minister will, within 60 days, issue standards to reduce to zero increments--for the first five years from the entry into force of this law--the VAT on the supplies destined for solar plants for the generation of electric energy.

#### Article 11

With regard to the development of technologies for the utilization of renewable energies and with regard to the participation of the center



mentioned in the following article, the CNEN [National Nuclear Energy Commission] is assigned an allocation of 5 billion lire for the year 1978, 30 billion lire for each of the years 1979 and 1980, and 25 billion lire for the year 1981.

#### Article 11-1/2

Within the context of the five-year plan mentioned above in Article 2, the CNEN will, within 6 months from the date of entry into force of this law, promote the establishment of a national center for the development of the sector of photovoltaic conversion, to be located in the South, and to be financed under the special applied research project approved by the CIPE for the purpose of Article 2 of the consolidated text of laws on operations in the South, approved through the 6 March 1978 DPR [Decree of the President of the Republic] No 218.

The above-mentioned center, which is open to participation by public and private organizations in this sector, in particular will promote the in-depth development of technical problems connected with the manufacture of photovoltaic cells also in order to assure a reduction in costs.

#### Article 12

In order to obtain data pertaining to the expansion of the solar sector and other renewable energy sources and the contribution of these sources to meeting the country's energy needs, the minister of industry will, either directly or through the regions, see to the annual census on the energy output from these sources, indicating their regional distribution. The results shall be reported to parliament.

#### Article 13

The regions will--in keeping with the provisions of this law and the indications in the five-year program mentioned in Article 2, above--issue standards designed to facilitate the use of heliothermal systems.

#### Article 14

The charge of 5 billions, deriving from the implementation of this law for FY 1978, will be taken care of through a reduction in the allocations entered in Chapter 9001 of the expenditure estimates of the Ministry of the Treasury for that same year.

The minister of the treasury is authorized, through the proper decree, to introduce any budget variations that may arise.

# Article 15

The implementing regulation for this law shall be issued through the decree of the minister of industry within 180 days from the entry into force of this law.

5058

CSO: 3104

## SOFT ENERGY SYSTEM CORPORATION FORMED IN MEZZOGIORNO

Turin FONTI DI ENERGIA ALTERNATIVE in Italian Sep-Oct 78 pp 54-55

[Text] Systems Engineering Company established by FIAT [Italian Automobile Factory--Turin] and by FIME [Financial Institution for the South] for the South (home office: Zona Punto Franco, Casella Postale 227, 62100 BRINDISI.)

Industry has also discovered the need for seeking instruments and launching initiatives in order to meet the new requirements on the "energy" market; this is the background for a decision made by FIAT and FIME to establish a new systems company in the South called "SES--Sistemi Energia Sud (Soft Energy Systems)."

The purpose of the company is to develop, in Italy and abroad, also for third parties, activities relating to promotion, coordination, research, cooperation, planning, consultation, and organization aimed at the development, implementation, and management of energy systems for domestic, industrial, and agricultural uses.

These systems are oriented toward the utilization of renewable energy sources (solar, wind, geothermal, biogas) by means of new technologies and the optimization of energy models in the various applications (energy conservation and recovery, heating, air conditioning, drying, water pumping).

The SES thus is a point of coordination between technical innovation, energy component science, and public and private users in order to contribute to the containment of consumption and the diversification of energy sources.

The capacity and resources of the SES are provided by the following:

FIAT which participates with the professional capacity and experienced gained by operational sectors in the energy field:

Energy sector,

Auto sector,

Component sector,

Civil and territorial engineering sector,

FIAT Research Center, for technical-scientific support;

FIME, participating through economic and financial support:

Will study the financial coverage for these initiatives;

Will facilitate the acquisition of incentives provided for the industrialization of the South and leasing of completed plants,

Will guarantee the operational tie-in with economic entities of national and international standing.

The activity of the SES pertains to the entities, industries, and public and private enterprises for the purpose of conducting the following:

Research studies:

Feasibility studies,

Rational energy utilization,

Energy conservation and recovery,

Optimization and application of energy systems,

Analysis and identification of systems, subsystems, and components for civilian, industrial, and agricultural uses,

System market estimates,

Cost-benefit analysis,

Technology transfer,

Market research on energy problems;

Territorial energy planning:

Development of energy programs in collaboration with local entities,

Study, coordination, and consultation on problems of territorial energy management,

Study for the placement and integration of energy systems in the territory;

Planning of energy systems for civilian, industrial, and agricultural uses and for the generation of electric energy:

Energy conservation and recovery,

Space heating and refrigeration,

Production of heat for agricultural and industrial uses,

Irrigation using solar plants,

Desalination,

Generation of electrical and mechanical energy,

Biomass energy systems,

Total energy systems--combined generation of electrical energy and heat--for isolated areas or under varying environmental conditions,

Systems with heat pumps,

Hybrid systems involving solar and conventional systems;

Construction, supply, and starting of plants:

The SES is in a position to supply and start up advanced energy plants in the civilian, industrial, and agricultural sector;

Plants demonstrating new systems:

Installation, at the home office of SES in Brindisi of an operational station to demonstrate the technical-economic characteristics of energy systems as a function of various types of uses;

Availability of SES for the installation of demonstration plants also at the user's facility;

Consultation services, coordination, planning, and assistance for:

Participation in domestic and foreign contracts and [public works] competitive bidding,

Energy investigations,

Technical-economic estimates on energy savings and on the application of renewable energies,

Drafting energy models,

Energy component engineering,

Energy plant planning,

Demonstration projects;

Collaboration with:

Domestic and international agencies and organizations involved in energy policy,

Universities,

Research and development organizations and laboratories,

Seminars and refresher courses on energy problems.

5058

CSO: 3104



## 1980 BUDGET PROBLEMS FACE GOVERNMENT

## Stand of Cabinet Discussions

Rotterdam NRC HANDELSBLAD in Dutch 12 Jul 79 p 3

[Article by J.M. Bik: "Andriessen Still Has Enough Problems"]

[Text] In three articles, our editor J.M. Bik takes inventory of the progress of the cabinet discussions on the preparation of the 1980 budget, the problems which could arise in this context, now and at the end of August (when the cover plan must be determined) and next fall, in parliament and in discussions with the social partners. The first article appears today with the sequels tomorrow and the day after tomorrow.

The Hague, 12 July -- If the Van Agt administration wants to strike a blow, whatever it may be, it will have to be done during the next budget year. As a matter of fact, the next parliamentary elections are expected to take place in the spring of 1981, and usually political nervousness and a reduced ability for decision making appear months before that. Consequently, the current talks in the cabinet concerning the 1980 budget are not only of great importance in terms of the substantial socio-economic and budgetary needs which are at stake. No, to use sports terminology: there is need at the same time for a defensive (filling in the holes) and an offensive (developing or pursuing policy) action.

All of this must occur under very difficult conditions. Aside from the financial concerns mentioned above, it is known that the cabinet is also stuck with the problem that the partners in the small government coalition, the CDA [Christian Democratic Appeal] and the VVD [People's Party for Freedom and Democracy], often have very different conceptions of the desired solutions. The goals of the Blueprint for '81 recovery plan, the rallying of profits and job opportunities, are shared by the whole coalition, but there is quite a difference in preferred ways to get there.

In this context one should think of such questions as the level of the acceptable financing deficit for the government, the tax and social security policy and the size of the (extra) limitation on the growth of public expenditures. More on this subject later.

During the first weeks of summer, and prior to going on vacation, each Dutch cabinet must reach an interim agreement on expenditures for the next budget year. This was also true for the Van Agt cabinet, while the prime minister had to be absent from the discussions for something like a week and a half, due to illness. ("Just let your illness run its course, Dries," Deputy Prime Minister Hans Wiegel had advised by telephone.)

#### Break Open

The fairly optimistic noises which have been emanating from the administration these days concerning the progress of the discussions on expenditures, and which rather surprised informed officials, may well have had something to do with the circumstance that it was largely the liberal deputy prime minister who presided over the discussions. Because, even if agreements have been reached on the level of expenditures and on the size of the financing deficit and on the cover plan, during the second half of August (when new economic data will be known) they will still have to agree on what the cover plan should look like, that is to say how it will have to be "filled in" with tax proposals. Moreover, the new economic figures of the Central Planning Office could well be so disappointing that the cover aimed at would prove to be inadequate and the agreement on expenditures would have to be "broken open" for further limitations.

Now, even though they are separated in time, the agreement on expenditures and the cover plan have everything to do with each other. And it could soon be proven in its full intensity how much the coalition partners are often opposed to each other with regard to the question of whether and to what extent the public expenditures should be limited further than has been planned in the Blueprint for '81 (10 billion guilders in 1981) and which extra taxation measures are necessary. That the parliamentary party leaders of both government parties see it this way too seems possible as both of them (Lubbers and Rietkerk) took their vacation at the beginning of July. "The most difficult decision will be made in August," said Lubbers at the time in answer to a surprised question about his departure. At the end of August, the social partners, who are still shouting from the sidelines, will also have to be informed and asked about their reactions.

#### Tag of War

A recurring phenomenon is the fact that coalition boundaries within a cabinet become blurred because all the ministers of the so-called spending departments, regardless of their political affiliation, will offer resistance as long as possible against any attacks by the minister of finance on their plans. They do this regularly with stories which, as a witness

of many years' standing of this kind of tug of war describes it, "can rarely be listened to with dry eyes." Measure X would damage traffic safety in an unacceptable way, measure Y would bring the building of working class dwellings to a standstill, measure Z would represent an end to all subsidies for the Dutch theater, etcetera, is what the minister of finance got in return.

#### Pace Setter

How things can be in this regard is illustrated by Minister Pais (education); the traditionally skimpy news about the budget discussions does allow this conclusion. A few years ago, Pais, being a professor of economics, was still practically the pace setter in the cutting of public expenditures categories, a position which was held at the time by the VVD as opposition party, setting the upper limit at 20 billion guilders. Now, as a member of a cabinet which has set the Blueprint limit at a savings of 10 billion guilders, he has made it a practice to bombard Minister Andriessen (finance) with expense claims.

Moreover, it must be noted that, in terms of new claims, Andriessen's position in the coalition is very strong, because the leaders of the CDA parliamentary party are of the opinion that in principle he does not have to honor any new claims from the trade related ministers, while the VVD parliamentary party believes that space should be found within their own department budgets for new policies. (With typical parliamentary logic, both parliamentary parties apparently also believe that Andriessen will probably have to swallow "some" -- a few hundred millions? -- of the claims.) But, this much is certain, the spending ministers can hardly use the leverage of parliamentary pressure behind their claims in the cabinet.

#### Hide and Seek

To the extent that Andriessen did give in to claims, according to reports primarily those of Pais and Albeda (social affairs), this was done within the scope of the so-called "supplementary policy," that is to say expense items which could be considered as "cyclic" and for which consequently, in such a case, no "structural" covering means need to be found. Thus, this is one of the few relative bright spots available to Andriessen, even though there is always the risk that in time the cabinet might start playing hide and seek with itself.

Because measures introduced as cyclical often lose their temporary character after a period of time has elapsed, they are hard to repeal and end up having to be financed structurally anyhow. An example of this is the temporary contribution which the Den Uyl administration made in social benefits: what had been meant to be temporary at that time, still exists and has of course been included in the budget. Well, aside from this question Andriessen still has enough problems left over. About that, tomorrow.

## Problems Detailed

Rotterdam NRC HANDELSBLAD in Dutch 13 Jul 79 p 3

[Article by J.M. Bik: "Full Scale Stampede at Breaking Up of Agreements"]

[Text] Today, we have the second of a series of three articles in which our editor J.M. Bik takes inventory of what problems are being faced now and which will come up later with regard to the preparation of the 1980 budget. The first article was published yesterday, the last one will follow tomorrow.

The Hague, 13 July -- Minister Andriessen (finance) only has a few bright spots in the budget discussions. The cabinet agreement on expenditures for the 1980 budget, which was apparently achieved this week, could well turn out to have a deceptive character. Because, during the second half of August -- when the cover plan will have to be filled in (or adjusted?) on the basis of the new data from the Central Planning Office -- he may well be faced with the necessity of breaking the expense agreements open again. This would then promise a full scale political stampede among the coalition partners.

The fact that Andriessen was allowed to enter the majority of the expense claims of the trade related ministers which were honored as "cyclical" is a bright spot, and so is the fact -- and this is generally confirmed, even by observing officials -- that the mood in the cabinet is good and one wants to "get on with it."

The coalition partners in the House do not want a crisis either, if only because of the unattractiveness of what might happen then: for example, the CDA and the VVD together might not have a majority, Van Agt might be sent into the political desert, the CDA might be "turned over" to the PvdA [Labor Party] while the VVD would once again end up on the opposition bench.

The former president of the KVP [Catholic People's Party] parliamentary party, who as minister of finance in this administration is practically condemned to being placed in the right wing of the CDA for the rest of his political life, knows this better than anyone. This should sustain him in his struggle against the very substantial budgetary problems, of which a brief outline follows.

### Critical Limit

Last year, the cabinet announced that it wanted to reduce the whole financing deficit of the government (roughly speaking, the difference between income and expenditures) from a maximum of 6 percent this year (on the order of 15 billion guilders), via 5.25 percent in 1980 to approximately 4.5 percent in 1981.

Everyone was and is agreed that with 6 percent the critical limit has been reached. In fact, however, due to a variety of reasons, especially a disappointing tax yield, the estimated shortage for this year runs to 6.5 percent (thus, 1.3 billion guilders more). For the time being, that is to say without any real political decisions having been made to increase income or reduce expenditures, a solution was chosen last month, at the time of the publication of the spring memorandum, via an accelerated collection of taxes and a freezing of expenditures (not of the power of the ministers to make commitments).

First of all, a decision had to be made concerning these 1.3 billion guilders. (Once again, among other things, an accelerated collection of taxes?) Next, the ministers had to decide how they would fill the holes which the parliament has shot up to now in the Blueprint (400 to 500 million guilders in 1981), because a Blueprint, agreed upon and approved by the coalition majority in parliament, remains -- moreover, a decision had to be made about the so-called "supplementary policy," which could cost up to an amount of 1 to 1.5 billion guilders. This supplementary policy would include matters such as financial support to companies, subsidies for home insulation and other energy saving measures, financial action in favor of the labor market policy, support for exports, etcetera. It is already clear that what is interesting in terms of the problematics of financing is what part of the supplementary policy will be presented as "cyclical," and what is certain is that even there what is needed will have to be covered structurally.

#### Financing Deficit

All in all: even before one could talk about something like a limitation of the financing deficit to below 6 percent as Andriessen (actually, the whole cabinet originally) wants, there thus was already a budgetary problem of -- by estimation -- at least 3.5 billion guilders to be overcome, whereby it was then assumed that the new claims presented by the esteemed colleagues would not represent too heavy a financial burden.

Consequently, reports from the cabinet that Andriessen presented his colleagues with a plan between 3 and 4 billion guilders point to the fact that the minister of finance wanted to (had to?) start modestly, possibly in the expectation of a second battle in August. As a matter of fact, with such a limited plan Andriessen would actually largely give up the goal of pushing the financing deficit back to 5.25 percent (that is to say, on the order of 2 billion guilders less). Political circumstances, specifically the fact that the CDA parliamentary party is not inclined to dive substantially below 6 percent (at least, to agree to the savings in the public sector which would be necessary for this) will have forced him to do this.

It is said within the largest government parliamentary party that the current Andriessen plan would already try to find approximately 2 billion guilders via public sector cuts; moreover, it aims at an increase in indirect taxes and excise taxes (gasoline, expensive cars, alcohol and the like) and an extra increase in natural gas returns (via exports and national consumption) of a similar size.



As far as the export of natural gas is concerned, especially Andriessen's own CDA but also the VVD have pleaded with the cabinet, by way of the "inside line," for an accelerated adjustment of the supply contracts to the increased oil prices. Furthermore, the domestic price of natural gas should not increase by 2 cents but by 4 cents.

The course of the discussion in the cabinet leaves a series of questions open. Questions such as: should not the economic growth standard, currently still set at 3 percent, be adjusted to reality? A correction to a more realistic percentage like 2.5 percent would produce an extra budgetary problem of approximately 500 million guilders (with an expenditure level of 100 billion guilders). Also a question such as -- the VVD parliamentary party in the House recently asked it -- what is the character of the disappointing results of tax returns, already noted in 1979 (1.3 billion guilders in company profits taxes and 400 million guilders in income taxes less than had been estimated)?

The goal of the administration is to stabilize the burden of taxation. Were the estimates concerning the returns wrong, that is to say was the development of profits and incomes worse than expected, or did an actual lessening of the burden occur through fiscal "underpayment." In the first case, it is a question of a substantial extra shortage in incomes for the kingdom, including for 1980; in the second case, the "underpayment" can and must be corrected one way or the other. When asked, Dr R. de Korte, expert from the VVD parliamentary party, asserted that not only the CDA but also the VVD would be willing to cooperate in action related to the second possibility. He does not want to be held to it, but he estimates that the disappointing tax yield could (should) appear for an amount on the order of 1 billion guilders in the yield estimates (and a similar financing problem).

Then there are questions with regard to the above mentioned matter of further pushing back the financing deficit.

The CDA parliamentary party has already made it clear via its parliamentary party expert Van Houwelingen, who luckily is also available for news during the summer, that it is not inclined toward further public cuts than necessary to reach the 6 percent financing deficit limit. Van Houwelingen made this known last week in an article in the ARP [Anti-revolutionary Party] newspaper NEDERLANDSE GEDACHTEN, which parliamentary party leader Lubbers had seen before going on vacation. The CDA parliamentary party does not want any new "real" cuts, being afraid of further pruning in the social sector and all the political and social unpleasantness which could be the result of this. Politically speaking, there is probably something to be said for this in a party which does not want to become totally isolated from the PVDA and the labor movement.

However, Van Houwelingen's antipode in the VVD parliamentary party, DeKorte, considers a financing deficit of less than 6 percent for 1980 not only as agreed upon but also "a must." This then in relation to the worsening



balance of payments and the need to leave space for business investments on the capital market (which are threatened to be skimmed by the government in case of a larger financing deficit).

Zijlstra

In this context, De Korte also refers to the pleas of Van Houwelingen's party colleague Zijlstra, president of the Bank of the Netherlands, to be sure to further limit the financing deficit.

Considering Andriessen's plan which was introduced in the cabinet, it looks as if the VVD, the employers and Zijlstra will not or will only barely get their way. The contrasts were and are clear: for political reasons the CDA abhors any further cuts while, without adequate cuts, the VVD must be afraid of tax increases which would not go over well with its electorate.

Relations: Cabinet, Social Partners

Rotterdam NRC HANDELSBLAD in Dutch 14 Jul 79 p 7

[Article by J.M. Bik: "Social Partners Await Cabinet Offer"]

[Text] With this article, our editor J.M. Bik closes a series of three articles concerning the hurdles which -- primarily in August -- will still have to be cleared with regard to the budget discussions. What is primarily at stake is deciding on the content of the cover plan. The first two articles were published on Thursday and Friday respectively. Today, an examination of the cabinet and its relations with the social partners.

The Hague, 14 July -- While inventorying what has to be worked out during the budget discussions in the cabinet, this month and in August, in terms of determining the content of the cover plan, the role of the social partners was left out of the two previous articles.

However, the question of whether it will be possible for the framework of the 1980 budget to remain standing will also have to be answered by employers and employees, even though the political decisions will have to be made in parliament. In terms of the assumptions of the budget, the actual setting of wages and incomes is more than ever of vital importance. This year it did not work to achieve the hoped for zero line in this respect. On the contrary, as VVD parliamentary party expert De Korte pointed out, in fact a real increase of 2 percent has occurred (initial increase plus the agreed upon vacation days).

Next year the story will become even more difficult. The zero line is no longer to be aimed for as the cabinet, which in the winter of 1977 came up with a purchasing power guarantee goal of twice the average income (twice 30,000 guilders), will now actually have to proceed from a minus line below the average income.

## Energy Price

In this context, a crucial point is the fact that the cabinet and a majority in the House want to keep the energy price hikes (as much as possible) out of the price compensation. If this does not happen, there will be a renewed threat of substantial price inflation, with disastrous consequences for, among other things, job opportunities. In this regard, the cabinet, which is definitely not planning to let the oil companies "hang on to" possible windfall profits, has already stated that each percent more inflation could cost 10,000 to 15,000 jobs.

It is clear, following the first noisy rejection by the trade unions of the aimed for "cleaning up" of the price compensation, that the cabinet will have to pull off a tour de force for the social partners to be somewhat willing by the end of August to accept the gap between the minimum wage and the average wage. It looks rather as if, as is feared specifically within the CDA parliamentary party in the House, the trade unions will prefer to try, after long negotiations, to reach a CAO [Collective Labor Agreement] agreement with the employers after all. For example, one whereby the cleaning up would only become effective as of 1 July 1980, so that the employers would "gain" half a year. The cabinet would then be faced with the bread and butter question: should (and could) they interfere in the setting of wages and incomes, and if so how?

The cabinet would want to avoid such a situation at nearly any price. Thus, at the end of August, the social partners will have to be offered a thing or two in exchange for the requested willingness to accommodate. Once again there is evidence of how short the cabinet's vaulting pole here is, and not only from a financial point of view, because the CDA and the VVD have very different opinions with regard to the question of what this offer should look like.

The VVD actually feels that more cuts are needed in the public sector, even though it no longer goes as far as a few years ago. De Korte would be able to find something, especially in "Albeda's shop." Except for combining the reserves of the social funds (non-recurring return of 600 million guilders), he once again repeated the list of possibilities which he mentioned during a recent parliamentary debate, each of which moreover would only produce a small return, and this at best only in the longer run.

The best known suggestion which he repeated has to do with the so-called volume policy. Minister Albeda (social affairs) will have to work "with greater speed than has been the case up to now" to reduce the large number of "problem openings," among other things, via an accelerated broadening of the concept of appropriate jobs. The knife would then cut on both sides: more workers, less benefit recipients, which would run into billions of guilders in a few years time, said De Korte. But the following applies here too: no short-term returns, while "broadening of appropriate jobs" from the mouth of the VVD has thus far not succeeded in producing too much enthusiasm from the trade unions either.

What De Vorte could imagine -- and maybe the trade unions might find this a little more interesting -- is for the cabinet to emphasize the existing purchasing power guarantee by offering (within the framework of the cover plan) a sizeable raise in the tax exemption rate as consideration for the cleaning up of the price compensation. He might also be in favor of good agreements concerning the preservation of jobs per branch of industry. Moreover, in his opinion the employers should be willing to shoulder the responsibility not to fire partially disabled workers. The VVD remains "dead set" against any attack on the inflation correction and any levelling down of the price compensation.

As far as the inflation correction is concerned: it is practically certain that, in conformity with the legal possibilities, the administration is not going to apply this correction for 100 percent but for 80 percent (yield: more than 300 million guilders) because the CDA would really like to go a little farther. This is fine as long as the CDA parliamentary party remains steadfast in its demand for a levelling of the price compensation at 50,000 guilders, now set for 1980, and preferably agreed upon in negotiation with the social partners.

In the name of the CDA parliamentary party (in any case with the knowledge of parliamentary party leader Lubbers), Van Houwelingen has presented some further wishes, which sometimes differ sharply from the VVD line, in his earlier mentioned article in the ARF newspaper NEDERLANDSE GEDACHTEN (last week). With a view toward a chance of social acceptance of the Blueprint, the budget and the cleaning up of the price compensation, he pleaded among other things against any further "real" cuts in the public sector (in other words, keep your hands off "our Albada" and his shop), for the quick introduction of a job criterion within the WIR [Wetsvoorstel op de Investeringsrekening; Investment Account Bill], for a job opportunity fund derived from the levelling of the price compensation, for more jobs in the government and the fourth sector relative to demand for them, for the passage of the VAP [Excess Profits Sharing Bill], for income moderation, etcetera.

#### "Misunderstanding"

A quotation from that article written by Van Houwelingen: "(...) It is clear that a few supplementary measures would not be adequate at the present time. Besides, it is also a serious misunderstanding to think that it should only concern some more cuts or a number of tax measures. The government may now again be expected to come up with a coherent policy. A policy directed toward the fighting of unemployment and the just distribution of the burdens. Whether we call this a fundamental review of the Blueprint for '81 or a reconstruction of it, is in fact less important. What is more important is whether we will succeed in developing a policy which will be experienced more generally as just and necessary. Without this endorsement and recognition, a real policy of restraint would fail."

A clear message, followed by this conclusion: "I assume that the cabinet will succeed in producing a policy in which we will recognize ourselves sufficiently as CDA." Things will undoubtedly be very hard during the second half of August in spite of the rather optimistic noises which have come from the administration these days.

8463

CSO: 3105

## POLITICAL PARTIES BEGIN ELECTORAL MANEUVERINGS

Lisbon EXPRESSO in Portuguese 11 Aug 79 pp 1R-3R

[Text] Although there are still some who claim that the heralded intercalary elections cannot take place, there is a strong likelihood that they will be scheduled for 11 or 18 (or 25?) November.

Apart from the debate on the government program, the attacks on and the backing for Maria de Lurdes Pintasilgo, and the study and speculation concerning the latest intentions of the president of the republic, the intercalary legislative elections have emerged as the most important and critical political event in this politically agitated year of 1979.

EXPRESSO has been devoting particular heed to the electoral phenomenon, both through articles on political-partisan activity and by printing reports on the electoral climate in the various districts of Portugal (today, on page 5, it is Portalegre's turn).

However, it seems to us worthwhile to venture probing further, to learn what is going on in the various political groups, both the large parties currently represented in the Assembly of the Republic, and the smaller groups which, each in its own fashion, are trying to win seats in Parliament. What strategy are they planning for the election campaign which is officially claimed to be approaching (and, in fact, has already started)? On what criteria is the preparation of slates based? What policy on alliances is possible and desirable?

We have attempted to answer the foregoing and other questions on this and the following two pages.

## PS: Continuity-Renewal Compromise

The composition of the PS [Socialist Party] slates is not due to be announced until the end of the month; however, it has been admitted in Socialist circles that the criterion for selecting the candidates for deputy will reflect a compromise between continuity and renewal. According to those same circles, a far-reaching change in the Socialist parliamentary roster could take place



in the 1980 legislative elections; and hence the trial of the relative renewal that has occurred this year would be a major test in this regard.

Meanwhile, the PS has already set up its electoral staff, a technical committee chaired by Almeida Santos, advised by Joao Lisboa and Ferreira Lima. Almeida Santos is the successor to Antonio Guterres in command of the activities of the technical committee, which includes four departments: for electoral studies and training, for regional coordination, for communications and information and for logistical backup. Pedro Coelho, Aquiles Oliveira, Santos Lima, Joao Gomes and Edmundo Pedro are also working as members of this main structure.

About 2 weeks ago, Almeida Santos submitted a document on electoral strategy and an organizational table of the electoral machine to the party's National Secretariat and Managing Committee; and a debate is currently in progress on several echelons of the party structure, which should culminate in a decision on the leadership level before the end of August.

In any event, the campaign machinery is now in operation in the district federations, attempting to collect from the rank and file ideas, suggestions and designations of names for drawing up the slates, which are subject to the final decision of the party's Managing Committee.

#### Electoral Strategy Will Be Based on Resolutions From the Congress

The PS' electoral strategy will be determined in accordance with the resolutions of the last Congress, we were assured by Socialist sources. According to the aforementioned sources, an essential point to be withheld from those resolutions is the party's availability for a policy of alliances, alliances to be established on the basis of the election results. However, though the PS is now free from the commitment made to its electorate not to make either left or right wing alliances, the pre-electoral political scene appears to have immediately precluded the possibility of forming a parliamentary majority between the Socialists and another party. In fact, since the hypothesis of a left wing alliance (that is, with the PCP [Portuguese Communist Party]) does not appear to be considered, theoretically, by the vast majority of PS leaders, a right wing alliance (that is, with the PSD [Social Democratic Party]) would likewise be decisively hampered by the establishment of what the Socialists have been describing as a "monarchical conservative bloc."

But, aside from immediate appearances, the crisis that has broken out in the meantime between the Democratic Alliance parties is being followed with particular attention by the Socialist leaders, especially those who are still betting on the possibility of forming a PS-PSD majority in Parliament resulting from the next elections. According to Socialist circles in favor of the materialization of this scenario, the "monarchical conservative bloc" would cease to exist as such, inasmuch as the essential element which marked and was the basis for it (the submission of combined slates in the elections) has been challenged by one of the parties: the very one that the same circles consider a preferred ally for establishing a new majority, the PSD.



Despite the difficulties stemming from a post-electoral PS-PSD alliance, the Socialists who are counting on that solution (not yet in an overt manner) justify their view with the existence of a tacit (and tactical) consensus between the two parties, aimed at precluding the materialization of Eanes' presidentialist designs. According to the analysis made in Socialist circles, those designs would entail the perpetuation in office of a government at the president's initiative after the intercalary elections, which might be expected to continue until the 1980 elections, because of the impossibility of forming a parliamentary majority in the Assembly of the Republic which would back a government of a partisan type. Hence, preventing Eanes from having sufficient time to obtain the necessary means of assuring a presidentialist plan (specifically, through the formation of a party of his own inspiration that would challenge the PS and PSD for political room) would, according to the sources that we have cited, be the common strategic goal which would make an alliance between the Socialists and Social Democrats possible.

The same sources noted that the hypothesis of a compromise between the PS and the president of the republic as an alternative to an alliance between Socialists and Social Democrats would be out of the question, owing to General Eanes' political behavior; a behavior which would clearly indicate an alienation on the partisan and parliamentary level and a reinforcement of the president's intervention on the political scene, once the impossibility of establishing stable governments based on the present spread of parties had been proven publicly and thoroughly.

#### "Moderate" Wing Emerges in the PS

The controversy that has arisen over a movement for internal challenge in the PS (bringing up the alienation of the Managing Committee with respect to the Secretariat and directed toward the positions of Jaime Gama and Manuel Alegre) has been interpreted by several observers as a sign that a new correlation of forces might be devised on the party's leadership levels, with the advent of a "moderate wing," still reflected in a dispersed manner, but containing within itself the dynamics for agglutinating several more or less typical kinds of "sensitivity."

The first visible sign of the movement was reportedly the convocation signed by 19 members of the Managing Committee (a procedure which appears to be unprecedented) to a meeting of this party organ, which was to take place a week from Monday. The convocation was preceded by several "whereas clauses," which prompted some newspapers to mention the existence of a document (which would not be acknowledged as such by the authors of the initiative). In addition to Sottomayor Cardia, the signers included some members who are considered "Soarists" (such as Antonio Camacho, Rudolfo Crespo, Cal Brandao, Aquilino Ribeiro Machado and Fernando Barruso), and others with sensitivities that were different or not typified (such as Ferreira Lima, Joao Lima, Teresa Ambrosio and even Carlos Lage, who reportedly became associated with the initiative for more specific reasons).

Although they did not cite concrete situations (or individuals), the "whereas clauses" in the convocation reflected primarily an attitude of criticism for the alienation of the Managing Committee with respect to the Secretariat's decision-making power. They were said to have been inspired by a mutual dislike for the growing personalization in the assumption of the party's positions, which has been taken over by certain members of the Secretariat, such as Jaime Gama and Manuel Alegre (and even Antonio Reis, who is, however, apparently active in two registers), the Tito de Morais wing and Gomes Fernandes.

Specifically, the initiative related to the document will be established at the meeting, although without mentioning names, and there will be a charge brought regarding the existence of a group which has been speaking unduly on behalf of the party (however, without anyone's recanting nor counterattacking). In any event, it is reportedly clear that there is a certain amount of isolation of those indirectly aimed at, with only a few allies assumed to be such (as in the case of Jose Luis Nunes and Marcelo Curto).

Although for varying political reasons, many leaders have become unhappy and confused about the large number of statements and "war-cries" on the part of certain leaders of the party, while the latter has not yet established its electoral strategy on the basis of the resolutions from the Congress. In the view of certain leaders, the commitment signed at the Congress between the various types of sensitivities was to be broken by a group that was seeking to decide in advance on the party's electoral strategy. And, according to some of them, the declarations of hostility, specifically (whether to Lanes or to the "monarchical conservative bloc"), have threatened to jeopardize the hypothesis of any post-electoral commitment (namely, with a PSD which, after all, has not given up its own electoral race in favor of a combined race with the CDS and PPM [Popular Monarchist Party]). Significantly enough, at the same time when some are in favor, in advance, of an "electoral strategy marked by tension," Almeida Santos, the head of the electoral technical committee, advocates a "strategy of pacification" associated with the PS.

The decision at the meeting to "freeze" the assumption of positions made personally until the determination and approval of the electoral strategy will, however, not be upheld by one of the party's spokesmen, Antonio Reis, who, in an interview, rejected the hypothesis of any alliance with members of the "monarchical conservative bloc." Strangely enough, on the same occasion, Salgado Zenha demonstrated great caution in statements made to a Porto newspaper.

#### The First Names

Although the electoral technical committee is not yet in a position to predict the composition of the slates, some names have already been put forth behind the scenes, often only as hypotheses. For example, Herculano Pires,

Maldonado Gonelha, Eduardo Pereira and Albertino Antunes have reportedly been selected by the Setubal Federation (which, conversely, is said to have rejected the inclusion of Alfredo Carvalho, a trade unionist of the Marcelo Curto line). On the other hand, it is claimed that doubts are hovering over the "head of the list" representing Coimbra (a difficult choice between Manuel Alegre and Antonio Arnault, which Almeida Santos reportedly intends to eliminate with his own candidacy, avoiding the trouble and uncertainty of failing to be elected by the Guard). Cal Brandao is said to be exchanging Aveiro for Porto, where Antonio Macedo remains at the "head of the list." Other rumors relate to Tito de Morais' wager (in an isolated ploy among the "historicals") for showing up as number two representing Lisbon, thus leaving Viana do Castelo.

## 20 Monographs

But, apart from the suggestions and rumors, the PS appears to be in a hurry to make a quick start in its electoral campaign with the correct internal moves. Meanwhile, several proposals have already been made in the area of information and propaganda. For example, independently of the electoral manifestos, 20 monographs will be published on the great national issues with a major impact on the voters (monographs which will possibly reflect a previous implicit self-criticism of the government's action by the party): prices and speculation, the anti-economic crimes, health, education and transportation will be dealt with therein, from a standpoint that is meant, simultaneously, to denounce the situation and to demand a change in it, according to the PS. The pamphlets will be prepared with the cooperation of the Office of Studies (headed by Antonio Guterres), which will also participate in a more accessible, summarized edition of the Document of the 1980's.

## Democratic Alliance Still Lethargic

The Democratic Alliance does not appear to have as yet emerged from the semi-lethargic state in which it brought up the issue of the slates, despite the fact that, as will be observed subsequently, the PSD has disclosed a more practical mentality, the CDS has evinced its capacity for theorizing and the PPM [Popular Monarchist Party] has demonstrated its outright apprehension. Insofar as we have been able to learn, the Social Democrats have made the most progress in the process of preparing their slates, perhaps because they have never considered the hypothesis of the combined slates as a sure thing.

In the PSD there are two simultaneous and somewhat conflicting movements (which, however, have not brought up certain undiscussed realities, such as the fact that Sa Carneiro heads the list in Porto): on the one hand, part of the party's apparatus acted in advance and "self-elected" certain local personages at meetings which were quickly called by the district entities, as in the case of Amadio de Azevedo, in Vial Real, and Jose Vitorino and Cristovao Norte, in Algarve; and on the other hand, Sa Carneiro is engaged in

making a careful selection of the future Parliamentary Group, both from a political standpoint and that of competence, and he appears more inclined to make concessions to certain (well demarcated) demands, for example, those of independents or militants who have thus far been less in evidence in the party than they have ceased being influenced by the arguments of the party apparatus.

Officially, it will be the National Council of the PSD which must decide, at its next meeting, to be held at the end of the month. In reality, it is quite likely that, once again, the Social Democratic president will come out ahead.

#### PCP: Same Subjects With a New Vocabulary

The electoral machinery of the Communist Party has been in operation for some time, and it was not taken by surprise by the announcement of the intercalary elections.

The PCP is prepared to engage in a door to door, or man to man campaign. At the present time, its morale has been strengthened, especially as a result of the elections to the local governments in two municipalities as different as Evora and Mirandela, in addition to the fact that everyone predicts an increase in votes for it.

#### Winning Over the Catholic Electorate

The tone of the campaign will emphasize the Eurocommunist lines, although that term displeases Alvaro Cunhal, and is not being used clearly. However, the arguments will, at the same time, have an effect on the combined interests of the working classes, whether they be of Catholic or Marxist background. Winning over the Catholic electorate is one of the targets of the campaign. It is even possible that elements with an entrenched Christian background may appear on the slates, reflecting what happened in Italy in the next to last legislative elections (in those elections, several prominent Catholics ran as independents on the PCI [Italian Communist Party] slates, and subsequently set themselves up as an autonomous group in Parliament).

However, there are some in the PCP who think that this orientation is too premature, although but a few would not predict a process of renewal among the PCP cadres.

In this process of hesitant openness, and with the inclusion of young elements more prone toward dialog on the slates, a distinction must be made between the internal and external policy. In the latter, the PCP continues and will continue to remain faithfully aligned with the positions of the Soviet Union.

#### Berlinguer's Visit

A part of the sequence that we have just outlined is the visit paid by the secretary general of the Italian Communist Party, Enrico Berlinguer, to Portugal. As everyone knows, Enrico Berlinguer is currently the great

theoretician of the "Historical Compromise," which, in reality, reflects an attempt to interrelate what is common to the Catholic and Communist doctrines, disregarding the supernatural aspect of Christianity.

The visit paid by Berlinguer, who came to Portugal to participate in the AVANTE celebration, but at a useful time in the election campaign, is, significantly enough, part of a process of recent rapprochement between the PCP and the PCI, now that the times when the two parties did not speak to each other have ended (see EXPRESSO, 4 August, p 5).

We may recall Vasco Gonçalves' time, when the PCI directed harsh criticism at the PCP owing to its intolerance, as well as the more distant time of the USSR's invasion of Czechoslovakia, an invasion which withered the Prague Spring. At that juncture, Alvaro Cunhal was responsible for explaining the Soviet Union's reasons to the PCI, and he was received very coldly in Italy.

Now, however, the more extensive movement of PCP followers and the contacts with the Portuguese reality several years after the clandestine period have caused this campaign to emphasize the same subjects, but with a new vocabulary.

#### Faces of the Vital Moreira Type

Despite this attempt at renewal which it claims, even though it is saying the same things, the PCP will not, however, forget the need to reinforce what it terms "the conquests of the revolution": agrarian reform, control by the workers, etc.

It is the territorial domination of Alentejo and the entrenchment that has been achieved in the trade union area, under the aegis of the so often mentioned "more extensive liberties", that have enabled it to claim that it does not know what Eurocommunism is, because it no longer needs it, and it has already gone, in its program, beyond the phase wherein Portuguese-style Eurocommunism was a necessity.

Time has elapsed in favor of the Portuguese Communists (the only organized party machine, with a sufficient number of militants at its disposal to operate on any occasion), and they know that they need not (and should not) be in a hurry.

The north appears to be the most vulnerable, or least opposed to the PCP at present. The PCP will attempt to progress in the north, without losing the south or the industrial belt. For this purpose, perhaps it will reduce the weight of 400 years of imprisonment and, with discretion and chariness, launch some new faces of the Vital Moreira type which, in addition to the image factor, will also be chosen on the basis of their capacity for lending the parliamentary group the formal respectability that it has lacked.



But the PC has at least one advantage: its unity and strategic strength, regardless of how the tactics may change. The unity and strength will be maintained in the forthcoming election campaign, even if this means taking 10 years to accomplish what, with a slight risk, might take only 4 or 5 years.

#### 1. PSD: Statements by Secretary General Antonio Capucho

"Although, during the past few weeks, the Social Democratic Party's electoral machine has been in a state of 'partial abeyance' regarding the decision on the submission of the Democratic Alliance candidacies on separate or combined slates, the PSD has an Election Office in full operation now, which meets daily under the chairmanship of Sa Carneiro and which is divided into a Political Committee and a Technical Committee." The foregoing statement was made this week to EXPRESSO by its secretary general, Antonio Capucho, who is also a member of both committees. He added: "In any event, there has not yet been any free time for an exact determination of the electoral strategy, nor would it be normal for the PSD to disclose it ahead of the time that is regarded as feasible, that is, much closer to the election campaign."

The Social Democrats' secretary general went on to say: "In my opinion, the important thing is for the PSD to present itself to the voters, reflecting affirmative values through the Electoral Program of the Government of the Democratic Alliance, and the real capacity of the contributing parties to govern the country, in the event that it wins a parliamentary majority."

Capucho made a point of stressing the fact that, "Obviously, the Social Democratic Party will not fail to underscore the responsibility of the PS, the leftist majority and the president of the republic himself for the situation in which the country finds itself."

Insofar as the campaign is concerned, Antonio Capucho then observed: "In each district and municipality, Election Offices have now been established, associated with the respective Political Committees; and the Technical Committee which is a part of the 'main' Election Office is, in turn, divided into several specialized subcommittees: on finance, accounting, opinion studies, public relations, legal support, logistical backup, etc."

#### Foreign Specialists to Aid in TV Appearances

In his view, "Since the PSD does not belong to any international entity, it is only with the effort of its members and sympathizers that it can obtain the financial coverage for electoral offices."

In addition to the reserves, however small, that we were able to collect, the PSD launched a campaign for funds on the national level, through which it hopes to obtain enough for an austere yet effective campaign...."

He added: "In any event, the budget for the campaign that we intend to wage, although it is still being planned, will be far less than the limit of about 25,000 contos, the amount permitted by law."



When asked how the PSD would avoid the financial difficulties that were cited, Antonio Capucho remarked: "In many areas of the election campaign, the PSD will make use of the free cooperation of members who are associated, for example, with advertising agencies, in this case for a study on launching the 'brand image,' through billboards, slogans, etc. The training of the personages who will appear on TV and speak on RDP [Portuguese Radio Broadcasting System] may be done with the aid of foreign specialists."

#### Only Sa Carneiro Will Conduct a National Campaign

In conclusion, Antonio Capucho described some more specific aspects of the election campaign currently being planned in the major state of Buenos Aires:

"In the visual and written messages, for example, the PSD must emphasize the door-to-door distribution of brief, but incisive texts on the great national problems. Billboards will be used, but less often than usual, and with complete respect for the sites expressly reserved for this purpose by the local communities.

"Rallies and explanatory sessions will not fail to be held, but emphasis will probably be placed on the candidates' direct contact with the voters in locations where the inhabitants gather in large numbers (supermarkets, open-air markets, etc.). As a matter of principle, only Sa Carneiro will leave the respective boundaries; all the other candidates, even if they are nationally known personages, must campaign only in the district in which they are running."

#### II. CDS: Secretary General Rui Oliveira Comments on Campaign

At the CDS national headquarters in Lisbon, we were told, "It is too early to give details on the organization of the election campaign."

However, Rui Oliveira, the secretary general of the Centrists, made one point: "It should be said that, henceforth, the voters will be confronted with a clearcut option, so that their vote will clearly represent the choice of a model of society. Hence, we shall conduct a very pragmatic campaign, denouncing the state of deterioration to which the country has been led, wherein we shall, at the same time, describe the solution which we advocate for surmounting such a serious situation."

#### Three Major Objectives

From what EXPRESSO gathered, the search for a strategy for the forthcoming election campaign has been the object of great concern and effort. Oliveira explained to us the reason for this, and told us the three major objectives of that strategy:

"In the first place, it is a matter of contributing to the electoral victory of the Democratic Alliance, which must have an absolute majority of the seats

in the Assembly of the Republic; In other words, we must help to build a new majority, in opposition to that of the left, one that is capable of generating new political power. Secondly, it is important that the CDS' electoral status be reinforced. It should be emphasized that the subordination of this legitimate objective to the first stipulation mentioned (the victory of the Democratic Alliance) no longer represents the subjugation of merely partisan interests to those of national scope, something which is a constant factor in the CDS' political practice. Third and finally, it is the goal of the CDS election campaign that the PS cease to be the major Portuguese party, so that the center of gravity of the nation's political life will, for a long time, move toward the area of the parties which comprise the Democratic Alliance."

#### Secret Guarded Under Lock and Key

With regard to the actual patterns whereby the campaign will take place, the CDS secretary general noted that, in addition to the usual rallies and speeches on radio and TV, "The CDS will use new methods of disseminating its messages. Since secrecy is the heart of enterprise, we are very solicitous about the products of our creation, which we shall guard under lock and key, so that not even EXPRESSO will disclose them...."

Insofar as the financing that the CDS may have at its disposal is concerned, Ray Oliveira felt that "it would be very easy" for him to answer that question: "In the next, as in the previous election campaigns, in addition to the subsidies which the state grants to the parliamentary groups of the parties represented in the Assembly of the Republic, according to the terms of the law now in force, the CDS will have only the financial backing of its members and sympathizers. I should also tell you that, although the financing of an election campaign is very important, it is still not everything. Hence it would be relevant to state that the CDS has the political solidarity and technical backing of the Christian Democratic Parties, both conservative and liberal, which have just won a conclusive victory in the first elections to the European Parliament. Everything else will have to be resolved in the Portuguese House; and we are convinced that, just as it happened in other situations, our backers will not shirk their responsibilities toward the country through the CDS."

#### FPM: Comments by President Ribeiro Teles

As were told by the FPM, through its president, Ribeiro Teles: "It already is a campaign planned, but at the moment nothing can be told about the manner in which it will be carried out, since the Monarchists are awaiting the decision, to be made by the PSD, on whether or not there will be separate elections within the Democratic Alliance."

However, the president of the Monarchists expressed great concern over what he described as an "impasse" within the AD [Delegate Assembly?], and the consequences of such an impasse which could, in his opinion, lead "to the

victory of a Peruvian-style totalitarian presidentialism on the part of President Eanes."

What are the possibilities of the PPM's conducting a campaign on a national scale by itself?

Ribeiro Teles does not seem to harbor any great illusions on this point: "They would be very slim.... In view of our meager material potential, and considering the fact that the press will reduce our dimensions from the previous elections, all that we have left is the militancy of the local members, radio and TV. Insofar as rallies, billboards, etc., are concerned, the situation is no better. With the price of gasoline and the cost of living in general, we cannot afford great luxuries...."

Ribeiro Teles also said that, nevertheless, the members of his party who are to speak on radio and TV during the campaign had already been chosen:

They are: Antonio Borges de Carvalho, Augusto Ferreira do Amaral, Luis Coimbra, Henrique Ruas and, of course, Goncalo Ribeiro Teles himself.

#### The Large Gamut of Small Groups

##### Extreme Left: Division Impedes a Revolutionary Front

On the extreme left, the differences that exist between the various political organizations and within them appear to have impeded the formation of the Revolutionary Electoral Front that has been discussed so much lately.

As of now, nothing has been said as yet about the participation of the PCTP [Portuguese Workers Communist Party]-MRPP [Movement for the Reorganization of the Proletariat Party] (which is facing a serious internal crisis, a crisis which led to the resignation of its own secretary general) and of the PCP-ML [Portuguese Communist Party/Marxist Leninist] (which in the 1976 elections backed the candidacy of the AUC [Peasant-Worker Alliance] in the intercalary elections). The PCP (R) [Portuguese Communist Party (Reformed)], which has shown a predilection for clandestinity, may again promote the candidacy of the UDP [Popular Democratic Union].

In the Trotskyist camp, it is anticipated that the PSR [Socialist Party-Reformed] (which resulted from the merger of the PRT [Revolutionary Workers Party] with the LCI [International Communist League]) will run; while the PUS [Socialist Unification Labor Party?] (the party of Aires Rodrigues and Carmelinda Pereira) runs the risk, which may be surmountable, of not obtaining the necessary signatures for its legalization. In the districts wherein slates are not being submitted, the PSR will indiscriminately advise on the voting for the PS or the PCP.

At the present time, the UDP is divided into three factions: the two "hard-line" factions, in the majority, comprised of members of the PCTP(R); the

"reformers" (headed by Acacio Barreiros, Vieira Lopes and Rui Afonso), who call for reform in the methods of the organization and rapprochement with the other more moderate political forces; and, finally, the "reunificationists" (João Espado and the other group from VOZ DO POVO, the organization's newspaper). Although the latter are still more closely associated with the "reformers," they have departed from some of the positions held by Acacio Barreiros, and are battling for the reunification of the UDP.

The "reformers," in turn, have intensified their contacts with the majority group of the MES (Movement of the Socialist Left) (that of Vitor Wengorovius, which recently won a victory in Congress, or of Teotónio Pereira, who is radical), with the creation of a political bloc as their intention.

In the event that a bloc or front is not formed, neither the MES (which might advocate abstention or merely not give any guidelines for voting) nor the OUT (expansion unknown) (which has not even been legalized as a party) will not compete in the elections.

MDP [Portuguese Democratic Movement]-CDE [Democratic Electoral Commission]: Running But Not Competing With the Leftist Majority

The announcement of the MDP/CDE's participation in the intercalary elections raised some surprise, inasmuch as this movement could only run with its main ally, the PCP. However, a spokesman for the MDP told EXPRESSO that, although they are attempting to submit slates in the largest possible number of districts, they will not do so in instances wherein there is a risk of taking deputies from the "leftist majority," a "leftist majority" in which the aforementioned spokesman includes the PS and the PCP.

It was noted, moreover, that the MDP will run and that the members who will comprise its slates will be decided on during a national meeting of the party set for 24 August. However, it has now been announced that independent elements "of a unifying type" may be included on these slates.

To justify its candidacies in the intercalary elections, the movement issued a communiqué in which it stated: "The non-participation of the MDP/CDE in the 1976 legislative elections contributed to abstention, did not reinforce the democratic struggle and was detrimental to our public image."

UDS (Union of the Left for Socialist Democracy): Isolated Candidacies After 1976 National

At the present time, the members of the UDS Secretariat are making a tour of the various electoral circles and contacting the rank and file, in order to prepare the slates to be submitted in the intercalary elections.

Agostinho's movement, which will attempt to run in all districts, is due to submit its application for legalization as a party to the Supreme Court

of Justice next week (possibly Thursday or Friday), and it already has the necessary 5,000 signatures guaranteed.

The UEDS will submit its own slates to the voters, after having witnessed a thwarting of the possibilities of forming a front (which was to include parties from the extreme left), headed by Otelo Saraiva de Carvalho, who still refuses to be included as an independent on a UEDS slate.

Other independents invited to join the slates of this movement belong to the BASE/FUT [expansion unknown] and to Socialist Reflection and Action (an organization which contains dissidents from the Porto MES).

It should be noted that the decision not to form a front with extreme leftist parties (for example, the UDP and the MES) was made at the last National Council meeting, with only three opposing votes (one of which was that of Cesar de Oliveira).

ASDI [Independent Social Democratic Association]: Party of the PR [President of the Republic] Could Cause Postponement Until 1980

Although plans are being made for the intercalary elections, the ASDI could postpone its first candidacy until 1980, a time when it would appear with a better organization, and facing a more clearcut political situation.

At present, the Independent Social Democrats are collecting signatures all over the country (they told us that they have obtained over 2,000 already, which exceeds the most optimistic expectations), and are trying to register the new party with the Supreme Court of Justice in time to run in the intercalary elections. Moreover, they are attempting to organize a minimally effective apparatus, for which they are facing serious problems as a result of the vacation period.

### Three Positions

With regard to participation in the intercalary elections, three positions were expressed by the Independent Social Democrats:

A group of provincial deputies (for example, Barbosa da Costa and Cunha Rodrigues) upholds the ASDI's candidacy, and predicts outstanding success for its slates.

Other individuals, however, such as Sousa Franco, voice skepticism about the possibility of competing in the intercalary elections. According to Sousa Franco, it is more important to aim for the 1980 elections, a time when the political situation will be more clearly defined. According to this theory, within a year the conditions may be present for submitting to the electorate slates from a considerably stronger party, which has in its favor some potential political dividends from the present government, and the express support of the President of the Republic. That party, whose cadres would



be increased still further by the ASDI and part of the MSD [Social Democratic Movement ?] of La Borges, the current minister of labor, would be founded on an ideological base that would restrict Eanes, so as to preclude the consequences of his action, which has at times been described as fumbling and indecisive.

Even if this political organization were not formed by 1980, the ASDI would have the guarantee of a considerably more efficient apparatus on which to rely.

The third position, devised by Servulo Correia, Magalhaes Mota and Vilhena de Carvalho, is a compromise between the other two. On the one hand, it accepts and backs Souzer Franco's view regarding the establishment of a presidential (but not personal, they claim) party; and hence the importance of the 1980 legislative elections. On the other hand, it deems the preparation for the intercalary elections essential, and sees no major obstacles to competing in them.

#### Not in the Others

In any event, it appears definite that, if they do not participate in the next elections as a whole, the members of the ASDI will not agree to be included on the slates of other parties, thus underscoring the difference in their political plan in relation to those already in existence.

It is felt that there will be excluded from all these plans such PSD dissidents as Val Machete, Mario Pinto and Jose Ferreira Junior who, when they gave up their office, seem to have chosen a different path, reportedly one closer to that of the reformers and other independents, and hence the positions of their old party.

PDC [Party of Christian Democracy] and PDP [Progressive Democratic Party?]-MIRN [Independent Movement of National Reconstruction]: Studying Formation of a Right Wing Bloc

In the right of the CDS, only the PDC and the PDP/MIRN can run in the intercalary elections.

Whereas the PDC's candidacy has already been announced, that of the MIRN is still highly uncertain. The leaders of this political organization, which was converted into a party on Friday of last week, will debate the issue at the first Congress, set for the first half of September 1979. Meanwhile, leaders of the MIRN and PDC are studying the possibility of forming a right wing electoral bloc.

An informant from the PDP told us that participation in the elections is only a matter of time. Thus, if the intercalary elections take place immediately



after the first of November, the candidacy of Kaulza de Arriaga's movement will be hardly possible.

The PDC, in turn, after having refused to join the Democratic Alliance, will attempt to run in all districts. However, according to a statement in one of its communiques, "it will not take votes away from the Alliance; it will obtain them from the mass of those abstaining."

As a Christian Democratic leader declared, in these elections the PDC has nothing to lose. In fact, it would be difficult for it to win a significantly lower number of votes than it received in 1976. On the other hand, it will attempt to prove that, despite its reduced size, it represents a sufficient number of voters, using Hondt's method, with which to provide a few deputies to another party with which it is allied (in 1976, it took four deputies from the CDS).

Although the PDC's slates have not as yet been established, it is known that its secretary general, Santos Ferreira, will head the one for Santarem or Lisbon.

2909

CSO: 3101

## POLITICIANS COMMENT ON PORTUGUESE PRESENCE AT NONALINED CONFERENCE

Lisbon DIARIO DE NOTICIAS in Portuguese 7 Jul 79 pp 29-30

[Text] Portugal at the Havana Conference

Here socialist Jose Luis Nunes, social-democrat Antonio Patricio Gouveia, and independent Cesar Oliveira expressed their views about the Portuguese role in the coming summit meeting of nonalined countries to be held in Havana in September of this year.

In the course of his recent visit to Yugoslavia, General Ramalho Eanes stated that Portugal would attend the coming summit meeting of nonalined countries to be held in the Cuban capital in September. This announcement by the president of the republic immediately provoked certain reactions, as moreover has become usual whenever the direction of the foreign policy of the country comes up.

The question of closer future relations between Portugal and the nonalined movement became particularly acute just a few months following the 25 April events, and between then and now, it has been the subject of animated polemics in which opinions have diverged in some cases irreparably.

It is on this subject, current but debatable, that we are presenting on this page statements by Jose Luis Nunes (PS) [Socialist Party], Antonio Patricio Gouveia (PSD) [Social Democratic Party] and Cesar Oliveira (independent). The PCP, for its part, has shown no interest in making a statement on the matter, while for reasons unknown to us, and despite numerous efforts on our part, we do not have in hand the statement promised us by an CDS [Social Democratic Center Party] leader.

The socialist deputy, in his text, states that "The trip to Havana is not viewed in terms of a choice of Europe 'versus' the Third World." "Experts in the creation of false dilemmas," he goes on, "have been waging an argument among us which sets the approach to the Third World in absolute opposition to an approach to Europe. However, nothing could be more opposed to our

national interests. In fact, only a clear Third World involvement will enable our country to achieve its own specific weight in political and economic alliances..."

After raising the question of the reasons which led the president of the republic, rather than the government itself, to announce the trip to Havana, Antonio Patricio Gouveia stresses: "There can be no illusion about making Portugal the 'least aligned' of the NATO countries."

Finally, Cesar Oliveira, openly supporting nonalignment in Portuguese foreign policy, urges a "more profound economic and political relationship with the Arab world, with Africa, and in particular the Portuguese speaking peoples, and with eastern Europe."

Jose Luis Nunes: Foreign Policy Does Not End With the Euratlantic Countries

1. The attendance of Portugal at the Havana conference has roots in its specific nature as a European and Atlantic nation.

A former colonizing power, our country gained the potential, with decolonization, of becoming an open window and bridge for the Third World. Our relations with the new countries with a Portuguese background represents not only a privileged opportunity for access to these countries, but also a major trump in our relations with the nonaligned country block, to which, generally speaking, they belong.

The trip to Havana is therefore not viewed in terms of a "Europe versus the Third World" option, but rather defines the outlines of our own autonomous role in the Euratlantic community.

In this brief article, we will try to show that Portuguese foreign policy does not end with activity exclusively oriented toward the Euratlantic countries. Instead we must remember that our activity in this political space will win us independence and strength to the extent that our country can clearly take up its politically supplementary heritage as a colonizing-decolonizing country.

2. Portugal is a European country which is a part of the Atlantic Alliance, and has signed a petition for membership in the European Communities.

Experts in the creation of false dilemmas are pursuing an argument among us which puts an approach to the Third World in absolute opposition to an approach to Europe.

However, nothing could be more contrary to our national interests!

In fact, only a clear Third World affiliation can enable our country to assume its own specific weight in the political, economic and military alliances organized by the Euratlantic Community.

With its industrial structure which has not reached an acceptable minimal yield as yet and which is provoking serious schisms and social tensions, our country can only negotiate its entry into the EEC advantageously if it maintains and expands its relations with the former colonies, and through them, with the movement ambiguously termed the Third World.

Without a precise understanding of this reality, European membership will not allow our country to rise above its location on the marginal edge of Europe, with the resulting harm to national independence.

It is within this context that one must approach our European option, which the country should take up, contributing to it the economic, moral and intellectual heritage created in the wake of decolonization.

3. It is clear from what has been said that our presence in Havana should not be viewed as a rejection of the European option but rather a form of our national foreign policy of being in Europe.

Therefore it is pertinent to describe very briefly what the Third World movement is nowadays.

The countries of the Third World movement, born in Bandung as a reaction to colonialism, soon found their ideological dreams in conflict with the reality of independence.

For example, the conflict between the United States and the USSR took on importance in the decolonized countries to the point that at one time there was fear for the cohesion and viability of the movement.

However, the existence of a common heritage, an outstanding feature of which is that an underdeveloped and even sometimes rudimentary economic structure, had been a factor in drawing them together.

In any case, as was stressed by President Tito, no distinction should be made within the movement between progressive and reactionary countries.

An understanding of this reality will enable our country to free itself of the prevailing "ideologism" and to engage in effective diplomatic action.

It is in this light, moreover, that the falsity of the Third World-Europe dichotomy as an expression of a leftist or rightist policy can clearly be seen.

The attendance of the Havana conference by countries such as Pakistan and Yugoslavia, side by side, clearly reveals this reality.

4. Our presence in Havana cannot be regarded, moreover, in isolation from the policy of approach to the new African countries with Portuguese backgrounds.

A foreign policy which fails to take this reality into account would inevitably lead to the weakening of our country in a space which because it is so broad, would deprive it of any independence or specificity.

African policy continues today as it did yesterday to dictate Portuguese foreign policy in the large international organizations.

Under the liberal monarchy, the democratic republic and the fascist, Portuguese geopolitical space expanded into Africa in notable fashion.

In 1914, we joined in the war to defend our colonies against foreign greed.

In 1961 we joined the war to defend the colonies against the legitimate interests of their peoples.

Rather than terming the country colonialist or anticolonialist, it is important to understand that colonialism was an historical aspect of our African policy, truly reprehensible that we did move beyond it politically at the proper time.

The Portuguese involvement in Africa requires an exact awareness today of the domestic and foreign effects of our colonial process and a concrete policy based on that awareness.

From what has been said it is clear that our African policy is at the heart of Portuguese policy today.

The road to Brussels lies ever increasingly through Bissau, Luanda and Maputo.

Unlike what certain Portuguese citizens, imbued with a crusading spirit of the old style think, the swing toward Europe is supplementary, and not contradictory, to a clearer and more aggressive African policy.

The "Old Man of Restelo" symbolizes a conservatism as inconsistent with the Infante Dom Henrique as it is to the Infante Dom Pedro.

The revolutionary synthesis which embodies the future of Portugal is expressed basically in continuing simultaneously along the paths blazed by Dom Pedro and Dom Henrique.

5. It is not after all to be ignored that it was in Yugoslavia that our participation in the Havana conference was decided.

The destiny of President Tito is a charmed one...

A revolutionary in Russia in 1917, a hero of the resistance to Nazism and fascism, anti-Stalinist when Stalinism was the triumphant ideology, Tito sought in the revolution to take charge of a national destiny.

Moreover, it is on the basis of a Third World policy that Yugoslavia is negotiating its rapprochement with the EEC today.

Underlying the 25 April revolution was a pro-European intent based on the tightening of the bonds with the decolonized countries.

This, more than the spirit of 25 April, was the national meaning of decolonization.

Countries, like men, never escape their past and their history.

But under democracy, it is important to understand and assimilate all makes of us an independent and sovereign nation.

Our presence at the conference of nonaligned countries is no longer the blazing of a path, but in these dissturbed days, it is above all an appeal to pursue the journey.

**Antonio Patricio Gouveia: Portugal Must Not Be An Errand Boy For Other Powers**

1. The announcement by the president of the republic that Portugal, which as is known was invited, will participate in the meeting of nonaligned countries to be held in Havana at the end of this year, raises two initial questions.

The first has to do with who orients and defines the Portuguese foreign policy: the president of the republic or the government? To this end, it is worthwhile examining the very clear limitations set forth in Article 133 of the Constitution. The invitation for Portugal to come to Havana was received in Lisbon many weeks ago. Why did the president of the republic, and not the government, to which the invitation was addressed, announce acceptance of it?

The second initial question has to do with Portuguese-Cuban relations. It is still unknown what Portuguese foreign policy with regard to Cuba is, particularly since the notorious participation of thousands of Cuban soldiers in Africa. Nor is it yet clear what activates the mechanisms of this foreign policy, if such exists, for the most obvious indications of Portuguese intentions as to Cuba come from the Council of the Revolution (invitation issued last December to the Cuban vice president) or its members (trip made by Lt Col Melo Antunes to Havana). Again in this case the unfortunate and reprehensible existence of parallel diplomacy becomes clear, making it possible to maintain an atmosphere of ambiguity benefiting various agents who want to determine our foreign policy lacking the necessary democratic legitimacy for the purpose.



2. The lack of clear answers to the uncertainties contained in the two questions expressed above makes it difficult to adopt a concrete position about Portugal's acceptance of the invitation to participate in the Havana meeting of nonaligned countries.

Bearing in mind the fact that our country has already participated in similar meetings, held in 1976 and 1978 in Colombo and Belgrade, respectively, under our first and second constitutional governments, the PSD [Social-Democratic Party] see no hindrance to Portuguese attendance at the Havana meeting--on the contrary, it can even be regarded as positive, provided this corresponds to consistent Portuguese foreign policy plans and provided they are publicly explained by the government. Portugal may derive advantage from attending yet another meeting of the nonaligned countries, not only because its participation will enable it to strengthen links with certain countries, but also because it is in the national interest to follow the development of the movement of nonaligned countries, above all when it comes to the support it may give such countries as Yugoslavia which do not believe the establishment of an alliance between the movement and the Soviet bloc should have priority.

If, however, the reasons for Portuguese participation in the Havana conference are not clearly explained and are not consistent with a clear and well defined foreign policy serving the national interests, which can in no case disregard the fact that Portugal is a member of NATO, the PSD categorically condemns the acceptance of the invitation extended to Portugal to participate in the Havana conference. The country should not continue to drift at the mercy of diplomatic policies of various stripes, sometimes contradictory and very often concealing intentions inconsistent with the national interests.

On the one hand, Portugal must not accept the role of an errand boy for other powers in the western bloc to which it belongs, which powers have no desire or no potential to carry out the tasks which fall to our country. There must be no illusions about making Portugal into the "least aligned" of the NATO countries.

Neither one of these hypotheses can be eliminated unless the citizens of Portugal are enlightened, speedily and in detail, about the reasons for and the purposes of Portuguese participation in the Havana meeting.

**Cesar Oliveira: Strengthening the Nonaligned Bloc is of Interest to Southern Europe**

The problem of Portuguese participation in the coming summit meeting of nonaligned countries in Havana, to which it has been invited, was raised by professor Freitas do Amaral and by the right-wing press following the statements made in Yugoslavia by the president to the republic to make it clear that Portugal will attend in the capacity mentioned. Concerning this

problem, I regard it as useful to stress the following aspects in schematic fashion:

1. The polemic begun by the statements of the PR [president of the republic] in Yugoslavia, a polemic designed as always to distort, deceive and cloud the reality, is a political maneuver seeking goals to be found in Portuguese domestic political life, goals which cannot be separated from the present political situation. The right wing, and professor Freitas do Amaral within it, feels a need to exert pressure on the president to dissolve the AR [Assembly of the Republic] and to convoke an interim election. Pressure of the same type, again with an effect on domestic policy, was exerted by the PSD and by Dr Sa Carneiro when the president of the republic was in Hungary some months ago with the leader of the PSOH, János Kadar. This type of polemic or political pressure instigated by the Portuguese right wing reveals the quality, when all is said and done, of that same right wing, its political incapacity to pursue a foreign relations strategy from which it could derive political advantages and profit (like some European right-wings). (In this connection, one can note the foreign relations strategy pursued by one of the partners of Freitas do Amaral and Sa Carneiro, the UCD [Democratic Center Union] leader Adolfo Suarez). The political capacity of the right wing in Portugal is in fact linked with the weaknesses and incapacities of a bourgeoisie and dominant classes which are still living (and can only live) in the shadow of a kind of "protectionism," be it called the New State, NATO, the EEC, the IMF, constitutional revision, or presidentialism, etc. This is the reason for the polemic concerning Havana, in harmony with the appeals for a referendum early election.

2. Portugal has already been represented, at the earlier summit meeting of the nonaligned countries held in Sri Lanka, as a guest. I believe that the presence of Portugal in Sri Lanka and the fact that it will go to Havana represent a triumph for Portugal recognizing the specific role, in a situation like that of Romania, which it can play, even without making a break with NATO, concerning the problems involved in international policy. I am speaking of the north-south dialogue, the political-military problems in the east Mediterranean area, dialogue between Europe and the Arab nations, the situation in southern Africa. Because of its economic and social structure, its geostrategic situation and its historical experience of an ecumenical sort, Portugal is one of the European countries which although it is a member of NATO, is in the best position to be able to play a significant role in the problems mentioned. And this was I believe recognized by the most genuine leader of the movement of nonaligned countries, President Tito of the Socialist Federal Republic of Yugoslavia.

3. Two major alternatives developed and are still available for the major foreign political choices by the Portuguese state. One, the Atlantic alternative, involves a privileged bilateral and multilateral relationship within the framework of the countries making up the NATO and EEC, involving

rejection of the pursuit of any autonomous positions on major international problem. . The other, which for lack of a better term I will call the autonomous strategy, presumes the fact that Portugal is a European country situated within a given zone of influence, and points to a deeper economic and politic relationship with the Arab world and with Africa, in particular the peoples with a Portuguese background, and with eastern Europe, such that through the greatest possible diversification in our foreign relations, the conditions for effective use of autonomous Portuguese positions on the major international problems will be created. Because I favor this latter prospect, I fully support the presence of Portugal at the coming summit meeting of nonaligned countries in Havana, not only because this is consistent with what I believe the present foreign relations strategy of the Portuguese State should be, but because I also think that for the world to remain divided into zones of influence, in each of which a superpower has hegemony, is a factor limiting the concrete achievement of a new international economic order and the transformation of the dependent societies. Moreover, it is of great interest to Europe, and southern Europe in particular, with a view to becoming the active agent of its own history, and not the mere object of the interest of the superpowers, to strengthen the movement of the nonaligned nations to the extent that this can open up paths which will put an end to the situation in which we have a modern Tordesillas treaty, the negative consequences of which for the small countries are only too obvious.

4. However, no foreign policy can exist as a factor independent of domestic policy. The concrete choice of one of the two basic options mentioned above means a choice between two radically different policies on the domestic level. One cannot implement the "spirit of Bissau" or the "spirit of Brioni" or embark upon the path of autonomy in the major international matters while favoring an Atlantic oriented military right wing domestically, or supporting political solutions which strengthen political, economic and military dependence on NATO and the EEC. In this connection, the action taken by the president of the republic, General Ramalho Eanes, was blatantly inconsistent, and if the same direction is pursued in domestic policy, we run the risk in the short-run of losing the international credibility entirely. Souto Cruz, Loureiro dos Santos (see the proposal on national defense), Freitas do Amaral and Sa Carneiro have nothing to do with the "spirit of Bissau" or the "spirit of Brioni." An autonomous strategy for Portuguese foreign policy, increasingly less subordinate to the spirit of division of the world into spheres of influence, is inconsistent with the need for a new type of protectionism which the right wing in Portugal needs and which could replace the types of protectionism eliminated by the events of 25 April. It would serve no purpose for Portugal to go to Havana as a guest unless the basic problems of domestic policy are not resolved (or a beginning made) consistent with that action.

## LOUREIRO DOS SANTOS ON NATIONAL DEFENSE LAW

## Normalization of Defense

Lisbon DIARIO DE NOTICIAS in Portuguese 6 Jul 79 pp 7, 8

[Speech prepared by Minister of National Defense Jose Alberto Loureiro dos Santos in support of the national defense bill but not made due to cabinet's resignation]

[Text] At the end of a long period of studies made in in the Ministry of National Defense, started while the first constitutional government was in office (under the guidance of the then minister of Defense, Col Firmino Miguel), the Ministry of National Defense in the fourth constitutional government prepared a bill on the organization of national defense that was sent, on 3 May 1979, for evaluation by the Assembly of the Republic.

In spite of the fact that the request for urgent processing submitted by the government was approved unanimously, showing the interest with which the Assembly of the Republic received the bill (although it may disagree with it) and confirming the generalized idea on the urgency for having this kind of legal instrument, in spite of this, the resignation of the fourth constitutional government prevented its minister of Defense from justifying, before Parliament, the contents of the bill.

Because there are a large number of opinions on so complex and critical an issue, because the bill was prepared on the basis of certain doctrinary principles -- in the framework of the Constitution of the Portuguese Republic -- and also because there is a political and doctrinary significance in its whole and in its parts, I have judged it advisable to make known publicly the text of the speech that would have been made in the

Assembly of the Republic at the time of the discussion of the bill, and all as answers to certain criticisms being made of it directly or indirectly.

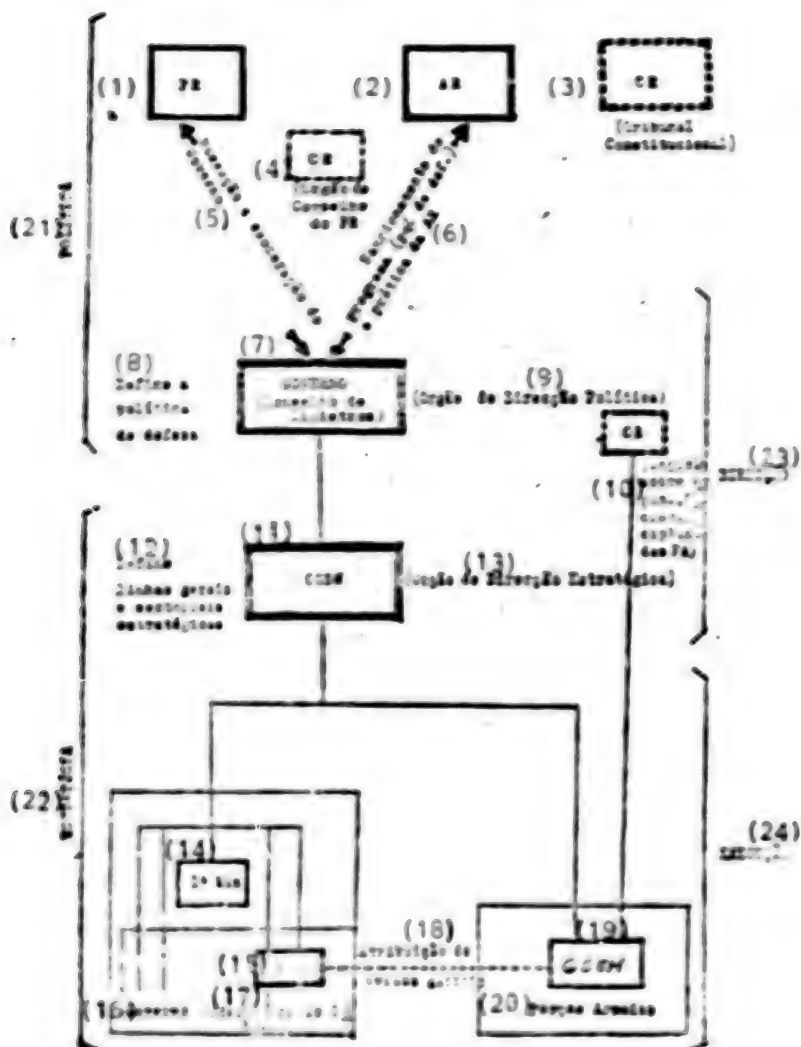
The position of the Portuguese Communist Party on the bill is known. It issued an official opinion for the first time in the 25 May 1979 communique of its Central Committee. It repeated that position in the 9th party congress and it fought against the bill by means of some articles from which I stress the one by Dr Vital Moreira, published on 5, 6, 7 [June] in the DIARIO DE NOTICIAS. The position of the PCP is not favorable to the bill. Unfortunately, this confirms the consistency of its practice in agreement with the doctrine that shapes it.

With regard to the other parties with a large parliamentary representation, although I judge, from the contacts that I have made frequently with their spokesmen on the parliamentary Defense Committee, that they agree in a general way with the bill, they have shown certain reticence -- especially with regard to the concept of national defense expressed in the bill and the structure of the national defense direction bodies contemplated in it -- stronger reticence in the Socialist Party and more attenuated ones in the Social Democrat Party and the Social Democratic Center Party.

The extremist parties cannot accept this kind of bill, insofar as their field of maneuver will be considerably restricted.

I believe that the technical and political knowledge on defense matters already revealed by the members of the parliamentary Defense Committee, especially the spokesmen of their respective parties (Joaquim Gomes, Jose Luis Nunes, Angelo Correia and Azevedo Coutinho), among whom it is entirely fair to single out engineer Angelo Correia because of the interest that he has been devoting to this important problem and because of the high level with which he has been tackling it, will make it possible to adjust certain rules, to improve others and primarily to determine clearly, without ambiguity, who is in favor of a law capable of defending the democratic state in the manner in which the Portuguese people have repeatedly stated they want to construct: national, European and Western, with the capability of dialog with all the peoples of the world.

# National Defense System



Key: 1. President of the Republic; 2. Assembly of the Republic; 3. Council of the Revolution; 4. Advisory body to the president of the Republic; 5. Appointment and dismissal of the government; 6. Approval of the program (defense policy) and implementation by the Assembly of the Republic; 7. Government (Council of Ministers); 8. Determines defense policy; 9. Political direction body; 10. Legislates on organization, duties and discipline of the Armed Forces; 11. Higher National Defense Council; 12. Determines strategic general and sectoral lines; 23. Strategic direction organ; 14. Prime minister; 15. Minister of National Defense; 16. Government; 17. Public administration; 18. Allocation of overall appropriations; [continued on next page]



19. Chief of General Staff; 20. Armed Forces;  
21. Policy; 22. Strategy; 23. Direction; 24. execution.

The Assembly of the Republic has unanimously recognized the urgent need for evaluating the bill submitted to it on the organization of National Defense.

This fact has confirmed the interest recognized by all in providing our country rapidly with a legal instrument that will enable it to formulate and execute, uniformly and effectively, the responses required by the constant threats made against sovereign Portugal and its democratic regime.

The careful study that this complex problem merited from the Ministry of National Defense, and the work done by my predecessor and recently by the deputies making up the parliamentary Defense Committee pursuant to the expressed constant interest of some is to be praised, will be able shortly -- if this Assembly so agrees -- to be crowned by approval of a legal text that, in addition, to making it possible to establish defense mechanisms, will definitely put our country on the way to the area of the democratic nations by stressing the subordination of the military force to the civil authority made legitimate in popular suffrage, as has been stated frequently by political and military officials.

In fact, because the Armed Forces should be an instrument in the service of the legitimate authority -- performing an eminently patriotic national service -- it is difficult to understand why an attempt is not made, urgently and within the framework of the Constitution, to organize the relations between the Armed Forces and the government in the direction of the greatest possible subordination of the Armed Forces to the people (through their legitimate representatives), in compatibility with the Constitution of the Republic.

Only in that way will democracy be put on a firm basis and be consolidated.

Moreover, because the Portuguese democratic regime is taking its first steps, it is essential for it to be organized urgently with regard to national defense, for the purpose of having mechanisms capable of causing every attempt that may materialize against democracy to abort, regardless of its source or ideological aspect.

It is a real act of courage for democracy to achieve this aim rapidly.

In a highly competitive international society, in which national independence -- like the least dependency in an interdependent system -- is constantly threatened by the most varied and sophisticated processes, of which the military is only one, not to have a structure that will make overall responses possible is a danger to a country that wants to remain sovereign.

Portugal is in this situation.

It is more than ever an act of patriotism to put an end urgently to this situation.

At the present time, for small countries, democracy and independence are two intimately related situations. Dictatorships, regardless of the mask behind which they attempt to hide, thrive only as long as they have the support -- declared or covert -- of foreign powers, which seek, naturally, their own interests.

Thus, the existence of a system of national defense lays the groundwork for development of a policy that will guarantee national independence and democracy.

The establishment of a coherent defense system will represent a harsh blow to the strategy of all the forces that, in attempting to overthrow democracy and, consequently, to tie Portugal to foreign dependencies, profit from a weak structure of the democratic state not yet consolidated, and that attack it insidiously, in order to undermine its foundations, to paralyze its action so that the real problems of the Portuguese people will not be solved, and they beckon with radiant, saving wiles that, in fact, are the forerunners of repressive dictatorships definitely equipped with overall defense structures that ensure their own maintenance with the greatest ferocity and without any complexes.

#### National Security

National security is one of the ultimate objectives that a political unit tries to guarantee as soon as it is sovereign. Others are well-being and social justice.

In order to attain each of these objectives, steps are taken in every sector, regardless, of how diversified they may be, intermediate goals are set, action is carried out, by means of the formulation and implementation of policies. The economic policy aims at well-being. The social policy aims at social justice. The national defense policy has national security in view.

National security "is based on the nation's coherence and unity, a knowledge of the situation and the determination and capability of maintaining or restoring a state of equilibrium and peace, consistent with its needs and aspirations," as is stated in Base 1 of the bill. It is an intention and an objective that is affirmed in relation to other intentions and other objectives. Nevertheless, national security is an objective to be pursued basically in the face of any kind of outside threat. But this does not rule out the fact that the national defense policy that attempts to achieve it -- in spite of being concerned primarily with a knowledge of the way in which foreign countries make their attacks and the way in which they are to be met -- is not concerned with events occurring to domestic law and order.

This is owing to two basic reasons:

First, because the activity of anarchical elements -- whose ideal is destruction -- opposed to unity -- and of groups acting outside the rules of democracy seeking to come into office by violent means, attempting to impose by force the will of a few over the majority, this action, in addition to endangering the regime directly, weakens the nation and increases its vulnerability by laying the groundwork favorable to potential foreign adversaries.

Second, because, at the present time, the phase in which the enemies of a nation-state act preferably with military means has been left behind. Although the very development of military means, international consensus and improvement of the capability of using other means have given rise to certain inhibitions on the indiscriminate use of military force, they have not put an end to the intention of every country to seek to promote its interests at the expense of others. Thus, with the frequency revealed by daily news items, use is made of a whole possible range of means, running from economic, diplomatic and psychological to social and internal political, in an attempt to exploit ethnic, geographic, political, religious and other splits. Economic threats, use of the mass media and international terrorists are in front of the eyes of all of us to remove any doubts that may persist.

For the reasons stated above, the scope of the national defense policy will have to be extended, necessarily, to "all measures that, in some way, contribute to national security, including cultural, social-economic, domestic and foreign policy and military measures," as is stated in Base 3 of the bill.

It is a whole series of activities of which military action is only one, many times one of the least important, that must seek to attain the final objective of national security, in which the sectoral objectives stated in Base 4 of the bill can be singled out.

Thus, the development of a coherent national defense policy will have to be total, requiring the establishment of mechanisms enabling the nation to be constantly prepared for war -- in a broad sense -- and be based on making all citizens responsible. It will have to prescribe selective service, provide for observance of the national security laws, furnish a guarantee of national survival and sovereignty in case of occupation by enemy forces, establish the possibility of easements with a view to the security and efficiency of essential facilities or activities. It requires that the organization of national defense include adequate measures for obtaining the information needed for making the decisions incumbent on the agencies responsible for national security. In other words, it requires the existence of an intelligence organization.

These principles, as well as the ones that indicate Portugal's respect for accepted international rules -- peaceful solution of international conflicts, rights of a state in the international sphere, subordination to international

law, possibility of joining in international security systems -- these principles, as I was saying, are found in chapter I of the bill.

#### A Coherent, Effective Defense Policy

Chapter II of the bill under discussion attempts to present the mechanisms making it possible to determine and implement the national defense policy.

Two previous aspects with some importance should be noted right now.

In the first place, it must be pointed out that, once the agencies responsible for determining and implementing a national defense policy have been established, that does not necessarily mean that a coherent, effective national defense policy will be formulated and implemented.

In order to attain these objective, other factors of a political nature that have nothing to do with the organization established are necessary. But what must be said clearly is that the nonexistence of these agencies makes the formulation and implementation of a national defense policy extremely difficult, almost infeasible. In other words, the existence of mechanisms responsible for directing, executing and coordinating the defense policy is a necessary, but not sufficient, requirement for the formulation and implementation of a coherent, effective defense policy.

The second aspect, closely related to the one that I have just stated, concerns the greater or smaller need for establishing a defense organization.

In a consolidated democratic state, strengthened by the practice of exercising democratic rules, in which there is the definitely firm consensus that the shortcomings of democracy are infinitely smaller than its advantages, in this situation the dangers and threats materializing to it do not find vulnerability, but, on the contrary, they appear naturally with a strong organization that resists more easily. In addition, in a state whose constitutional structure reflects the normalized system of a democracy, with all the forces, including the military force, unequivocally subordinated to the government authority resulting from the free will of the citizens without any kind of ambiguity, the issue does not come up of coordination between different branches of authority that, independently of each other, may pursue different, divergent and even contradictory policies, even though they do not wish this intentionally.

It seems evident that the Portuguese democratic state is not yet completely consolidated (in the way described above) and that the structure of the constitutionally established government authority lends itself to separate actions. The result of these facts is that, although the existence of a defense organization (more because of reasons of operability than of unity of efforts) is regarded universally in any democratic state as a requisite for establishing and pursuing a defense policy, in our democratic state, not yet consolidated or totally normalized, the existence of that organization is indispensable and urgent.

Actually, in a state in a situation of consolidation and normalization that we Portuguese are determined to construct in the future, in our country, the government, through the Council of Ministers, will in itself have the possibility of acting in every sector contributing to national defense, including the military. It can, therefore, establish and implement, without problems, the defense policy, because it is established by the Council of Ministers, whether or not presided over by the president of the Republic, depending on the more or less presidentialist nature of the democratic regime in question (it would be desirable, in that future, for it to be incumbent on the president of the Republic to preside over the Council of Ministers for defense matters).

#### National Defense in Normalized Regimes

Reasons of an operational nature will make it necessary -- and this is the practice in many democratic countries -- to establish a more limited organization, without the inertia characteristic and necessary in broad collective organizations of political direction in a democracy, with the capability of handling efficiently the action strategies that will meet the political objectives, in which the officers of the Armed Forces responsible for operations will be included.

In other words, in normalized regimes:

The defense policy is established as follows:

In pure presidentialist systems and in pure parliamentary systems, by the Council of Ministers, with or without the president of the Republic who may or may not preside over the Council of Ministers, depending on the kind of system.

In the semipresidentialist kind of system with a presidential tendency, also by the Council of Ministers, but presided over by the president of the Republic.

The defense strategy is determined in a more limited organization, of the limited Council of Ministers type, for operational reasons, in which the military chiefs responsible for military strategy are, naturally, included.

Obviously, the kind of regime is specified in the political constitution.

Independently of the desires of each and every one of us, the political constitution of the Portuguese Republic, which specifies a government authority structure that, in my opinion, urgently requires the establishment of an organization for defense -- for the reasons already stated above -- because it is special, entails an organization that is also special.

Let us see how we handle that organization:



I believe that the coordination function is common to organizations of direction and execution, also because the main problem confronting us, in view of the independence -- not total -- between the military force and the government authority, is the need for coordinating these separate components, so that they will not be at variance with democracy or paralyze or disturb it or jeopardize national security.

And, since coordination cannot be achieved without the existence of authority to coordinate, matters pertaining to it are transferred to the organizations of direction and execution to be established.

Direction must be handled, as we have already seen briefly in the theoretical models, on two levels: on the political level and on the strategic level. The strategic level serves the political level, in view of the fact that strategy is a science and art aiming at achieving, with the greatest yield, the objectives specified by the political authority, that is to say, by the organs of sovereignty. It is clear that those objectives may be more general or more limited, leaving more or less maneuvering margin to strategy. This will be revealed not in the systems adopted, but, rather, in the practice followed on the basis of them.

#### Strategic Direction

In view of the fact that, for reasons of operationability and efficiency, it is always necessary to provide for the establishment of a limited organization with responsibility of general and sectoral strategic direction for defense, and also because the components responsible for the principal means contributing to it must participate in it, the strategic direction organization will have to include the prime minister -- the top government official -- the ministers responsible for the strategies of Foreign Affairs, Interior and Finance and Planning, the military officials responsible for strategy (joint Army, Air Force and Navy), the government official responsible, at the ministerial level, for liaison with the Armed Forces, in other words, the minister of National Defense.

In view of the fact that, under the terms of the Constitution, it is incumbent on the president of the Republic to exercise supreme command of the Armed Forces, to declare a state of war, a state of siege or a state of emergency, with the power to decree general or partial military mobilization, and since he is the supreme official responsible for the nation's independence, the unity of the state and the integrity of the territory, and because he is the top level at which -- without ambiguity -- the military and nonmilitary sectors meet in their formulation of strategy, the president of the Republic must be constantly informed about the processes used to carry out the defense policy that the pertinent organizations may establish, so that, at any time, he can assume his higher responsibilities with full knowledge and advisedly.



For all these reasons, the president of the Republic will have to be a member of the operational organization of strategic direction over which, naturally, he will have to preside.

But it should be noted that his presence in that organization is not decisive. It does not transfer to it the special prerogatives of an organ of sovereignty, although he is there because of those prerogatives, because the establishment of the defense policy (as we shall see) results from a mechanism between organs of sovereignty reflecting their balance and in which the president of the Republic participates in the capacity and manner permitted by the Constitution.

This is to say that the president of the Republic participates in the organization of strategic direction as the first and principal official responsible not for the defense policy but for the defense strategy.

Because it is not advisable to expand the composition of the organization of strategic direction, for the reasons of operationability already pointed out, but foreseeing the possibility that, with some frequency, it will handle matters concerning sectors whose officials responsible for strategy are not normally members of it, the hypothesis of their participation is provided, whenever there is need for it.

#### Political Direction

Now that the way in which the matter of strategic direction has been solved, let us see how the problem of the political direction of national defense has been handled and solved.

There were two alternatives, connected, finally, with the peculiarity of our constitutional structure and the kind of semipresidentialist regime characterizing it: more presidential or more parliamentary

Thus, in general, the following two hypotheses were raised:

Either have the Council of Ministers presided over by the president of the Republic. This hypothesis also might include a subhypothesis in which the military chiefs would be members of that body.

Or require of the government, through the Council of Ministers, the responsibility for establishing the national defense policy, just as it establishes the policies pursuing the other objectives, aside from the objective of national security, by submitting that policy to the Assembly of the Republic.

I must say sincerely that I believe that the first hypothesis is more desirable, because I believe that it is more efficient. Moreover, I supported it 3 years ago, when I discussed this matter publicly, but I think that, in the light of our Constitution, although it is desirable, it is not possible. I hope that it will be possible in the future.

In fact, if adopted, the national defense policy would come to be established by an organ of sovereignty not provided for in the Constitution, resulting from the association of two organs of sovereignty -- president of the Republic and government -- (and why not three -- president of the Republic, government and Council of the Revolution -- because the logic that led to the first two would not prevent the third from being associated with them?).

In my opinion, this is definitely contrary to the letter of the Constitution. But, if it were possible, would the national defense policy, in whose establishment the president of the Republic would participate as an organ of sovereignty, be submitted for approval by the Assembly of the Republic, included, like the other policies, in the government's program? Or would the Assembly of the Republic have nothing to do with the national defense policy?

Moreover and according to the Constitution, the president of the Republic only presides over the Council of Ministers when invited. Would it be possible for a law to be able to impose on the government and on the president of the Republic what the Constitution does not impose? (Number 2 of article 113 of the Constitution).

These reasons seem to me sufficient to discard the first hypothesis considered.

Thus, we have left the second hypothesis.

It is not stated expressly in the Constitution of the Republic who is responsible for establishing the national defense policy. It is not the president of the Republic. It is not the Council of the Revolution or the Assembly of the Republic, either. The Assembly is to prepare the law on the organization of defense.

But the government, through the Council of Ministers, is responsible for the general policy.

Can it not be logical that the national defense policy is included in the general policy?

At first sight, the answer seems to be affirmative, but a difficulty comes up. The national defense policy will have to include necessarily the employment of the military means and another organ of sovereignty legislates on the "organization, duties and discipline of the Armed Forces."

But can this mean that the Council of the Revolution determines the military component of the national defense policy or, in other words, the scope of the Armed Forces, their size and number of personnel and the objectives that they must pursue with a view to national security?

I believe that the answer clearly is no. On the one hand, because it would also be illogical for the Armed Forces themselves to say what their size would be. That might lead to the absurdity that we would have Armed Forces completely out of adjustment with the nation's situation in personnel and means. On the other hand, because the Constitution itself assigns missions to the Armed Forces and says that the government and the Assembly of the Republic are the ones that, through the requirements for preparing and evaluating the budget, allocate financial means to them. Now, the financial means are allocated on the basis of objectives to be achieved and necessarily the one giving the means specifies the objectives, because the objectives are achieved depending on the means available.

That is to say, in fact, that the Council of the Revolution, with regard to the Armed Forces, has duties that, in the science of organization and methods, are incumbent within the scope of what is designated as internal objectives (organization, discipline and functioning), but the body that specifies the aims of the Armed Forces, its outside objectives, will have to be the one that allocates the means to them and the one that is responsible for the general policy of the country of which the defense policy is an aspect that cannot be disassociated.

It is clear that the Council of the Revolution still has important responsibilities left in specific aspects of national defense, both as the advisory body of the president of the Republic and as the guarantor of the regular functioning of the democratic institutions.

If this is so, then, according to what is proposed, the lines of the national defense policy must figure in the program of the government, which is appointed and can be dismissed (for various reasons, among which is the defense policy) by the president of the Republic. The program must be submitted to the Assembly of the Republic and its broad guidelines must take the practice of this Assembly into account. The prime minister is the one responsible for the political direction of defense.

With regard to execution of the national defense policy, the system appearing in the bill aims at the following:

Once the national defense policy established by the government, a policy expressed with greater or less latitude, in more vague or more precise terms, has been approved by Parliament, the Higher National Defense Council meets periodically to establish the strategy to be followed, bearing in mind compliance with the defense policy. When appropriate, those persons responsible for areas of interest who have no permanent seat on the CSDN (Higher National Defense Council) participate in its meetings. The deliberations of the CSDN are forwarded to those who have a need and possibility for executing the defense strategy, the government and the Armed Forces. It should be pointed out that the Higher National Defense Council issues strategic and not political decisions. That is to say, it decides on the manner of carrying out actions making it possible to attain objectives

established -- on the political level -- by the government. It would not be admissible for the strategic direction organization to become an organ of sovereignty that would obligate the government and the Council of the Revolution politically.

When questions arise in the gray area of overlapping between politics and strategy that may require legislative acts, then the organs of sovereignty assume their inalienable responsibilities and, taking into account or not taking into account the decisions regarded as strategic by the Higher National Defense Council, they proceed with the entire freedom and independence that they have under the terms of the Constitution.

The presence on the Higher National Defense Council of persons who, because of their duties, have a seat on the Council of Ministers and on the Council of the Revolution will contribute to the solution of problems that, perhaps, someone might fear. But, even if some are not solved -- as a reflection of difficulties in the functioning of the system resulting from matters foreign to it -- I think that others will at least be reconciled and many will be solved.

To tell the truth, at present, without a national defense organization, there is a real possibility of our not even realizing the existence of problems, let alone solving them with a minimum of effectiveness.

It should be made very clear the the government, in its capacity of public administration, and the Armed Forces, as execution organizations, are organizations for executing strategies.

For reasons concerning a search for greater efficiency in solving national defense problems, the bill takes up the need for institutionalizing a collective sectoral strategic direction body in the Armed Forces, the Council of Chiefs of Staff, whose duties are in the sphere of formulating the strategic concept of military defense and of the overall system of military forces and in the requirements stemming from it, in order to implement the established national defense strategy.

For the same reasons, the possibility is also proposed for powers of direction and interministerial coordination of activities assigned to national defense to be delegated to the minister of National Defense by giving the minister certain duties tending to rationalize planning activities connected with defense.

The chart that I have distributed helps clarify the structural relations of the defense system that the bill being examined contains.

#### States of Exception

Chapters III and IV of the bill pertain to states of exception: war, siege or emergency.

They attempt to frame rules that will enable the nation, in peacetime, to provide steps to be taken to cope with situations in which the effectiveness of employment of means, including time, may decide the country's victory or defeat, the well-being of the community or the survival of democracy.

I am pointing out some aspects taken into account, because of their importance:

The indication that, in wartime, the nation's effort must take into account "both the military forces and their organization with a structure of active resistance."

A guideline is involved that must be taken into account for the military strategic conception -- and resultant reorganization of the Armed Forces -- and it represents continuity of the method of acting historically tested by the Portuguese people against possible invaders.

Transformation of the CSDN into a true War Cabinet -- in its broadest sense -- in case war is declared.

In view of the fact that, when violence explodes, the rapidity of the action to be taken, requiring strengthening of the direction unit, may favor confusion between policy and strategy, the CSDN -- remaining only in the area of strategy -- begins to assist the supreme commander of the Armed Forces permanently and may be expanded. as follows:

With those ministers appointed by the prime minister, in order to guarantee always, under every circumstance, predominance of the political authority (president of the Republic and Council of Ministers) over the Armed Forces.

With those members of the parliamentary opposition on whom the president of the Republic intends to call, in order to guarantee maximum commitment by every Portuguese in the conflict.

Accentuation of the command unit in the military area in a war situation, when the military component assumes a predominant role in national defense. In peacetime, the command activity to be carried out by the chief of General Staff is conditioned in certain areas by the Council of Chiefs of Staff over which he presides, although he has the capacity and authority to coordinate on a higher level the employment of the Armed Forces.

The need for sufficient grounds for declaring a state of siege or a state of emergency, for specifying the rights, freedoms and guarantees whose exercise is suspended, bearing in mind the safeguarding of democratic order.



Chapter V of the bill specifies lines of action to ensure the possibility of assembling and utilizing, as rapidly and as effectively as possible, the human and material means that the nation activates in cases of exception.

From the kinds of mobilization and its delimitation, to the process of its declaration in which the requirement of ratification by the Assembly of the Republic of general mobilization within a maximum time limit of 5 days is specified, to the callup of persons, property and services, the chapter pertaining to mobilization covers a whole important group of measures whose adoption is indispensable in a modern state obliged to handle the problems of national defense.

Among those measures, allow me to point out the consideration of a national warning system aiming at giving the civilian and military authorities powers to ensure readiness of essential public services, for the purpose of preserving the freedom of action of those agencies responsible for national defense, to decrease the vulnerability of the population and to guarantee the security and rapidity of the operations of mobilization or of employment of the Armed Forces.

#### A Necessary and Urgent Law

The bill on organization of national defense that this Assembly is examining, as an illustrious member of this Chamber would say, does not claim to be an optimum law. I am satisfied if it will be regarded only as a reasonable law.

It was necessary to solve the difficulties resulting from the current transitory situation. It comes up, because I am convinced that its nonexistence threatens and makes difficult the consolidation of the democratic state and increases the dangers incurred by our independence, insofar as, with regard to foreign countries, we are offering easily exploitable fracture lines.

It has been prepared with the design that, with some precise alterations in form but capable of being important in content, it can be retained basically, putting an end to the period of transition.

This kind of law is necessary and urgent, but it must not give rise to situations that block the constitutional course chosen by the Portuguese people through their legitimate representatives duly accredited for the purpose.

An attempt was made to prepare a law that will not be anything other than a statement of vague, general, although very well delineated, principles. On the contrary, without going into exaggerated details of regulation, what has been sought was to meet effectively the requirements for coordination between the sectors contributing to national defense, specifying their responsible officials and the processes and measures regarded as indispensable for that purpose.



There are some who state that, with the present Constitution, it is impossible to prepare a minimally suitable law on defense organization.

Although I think that the structure of authority prevailing at present in Portugal is giving rise to problems solvable with difficulty by the national defense law, I believe that many will be solved and that others will be minimized.

In my opinion, any other way of thinking would amount to drawing up a serious accusation against the Constitution of the Republic.

As I have already said, it will not be possible to make an optimum law, but I believe that it is possible and desirable to have a reasonable law.

#### Military Subordination to the Civilian Authority

I do not want to conclude my remarks without failing to point out a very important feature contained in this bill. It is a question of the course that it stresses in a desired intensification of subordination of the military force to the civilian political authority made legitimate by popular suffrage.

That intensification is found, among others, in the following main points:

In regarding the military as only one of the means contributing to national defense, not always the most important one, as is deduced from the whole bill, especially chapter I. It means the abandonment of the obsolete conception identifying national defense with military defense, so dear to the advocates of all or nothing, of the civilian-military opposition, of those who attempt, most often covertly, to keep the Armed Forces in a ghetto, in order to influence them more easily to their benefit.

In the mechanisms set up to determine the national defense policy, of the responsibility of the government, consisting of the pertinent program to be submitted to the Assembly of the Republic, taking into account the experience of this Assembly, with the prime minister as the official responsible for the political direction of defense.

In the composition and functioning of the organizations of strategic direction of national defense -- the Higher National Defense Council -- in which, even during the transition period, the responsible military senior officers members of it will be in a definite minority with regard to the ones whose appointment results from a set of methods based on popular suffrage.

In the appointment of the military chiefs (CEMGFA (Chief of General Staff of the Armed Forces) and CEM (Chief of Staff) of the branches), which will be made by the organization eminently representative in origin, with the advice of the Higher National Defense Council.

In entrusting the prime minister with the powers of direction and coordination of activities traditionally entrusted to the military, like the ones pertaining to the national production of defense equipment.

In entrusting to a member of the government -- the minister of National Defense -- important areas formerly under military responsibility, like the guidance and coordination of study and training pertaining to national defense and the allocation of the total funds annually appropriated for the military preparation of the Armed Forces.

In the requirement for the establishment of a civilian intelligence organization subordinate to and serving legitimate organs of sovereignty.

After the 1820 liberal revolution, reports were submitted several times to the Chamber of Deputies by the then minister of Justice, Silva Carvalho -- a moderate, determined, patriotic participant in the 1820 revolution -- calling attention to the urgent need for organizing national defense, including an increase of police forces and the organization of an intelligence system.

Only at the beginning of 1823 did the Portuguese legislature appoint a committee to study the grave problem of national defense with the objective of preventing the dangers of an invasion of Portugal and of opposing the intrigues of persons within the country aiming at overthrowing democracy.

It was late. On 23 February of that year, there broke out, at Vila Real, the insurrection that was the start of a long, tormented period of life for Portugal that was to end only decades later.

The bill being debated does not solve the problems, but I believe that it lays some of the groundwork for solving them better. It does not have only virtues. It is natural and I agree that it has features whose concern is not what the Assembly of the Republic may regard as most adequate.

But there is nothing incapable of being modified. This bill may also certainly be greatly benefited by possible improvements to be introduced by you deputies, provided the basic principles that it attempts to cover are preserved.

As always, I am available to you for the purpose of collaborating, with my modest contribution, in a task that will most certainly be meritorious.

What is necessary and urgent is for the country to have a system of organization of national defense. I believe that we are all concerned about that.

Let us guard well, without splits and without complexes, jointly, agreeing on what is essential and with determination, our fortress -- democratic Portugal -- that God, undoubtedly, will also guard for us.

## Defense System

Lisbon DIARIO DE NOTICIAS in Portuguese 7 Jul 79 pp 7, 8

[Reply by Minister of National Defense Jose Alberto Loureiro dos Santos to criticisms of the national defense bill]

[Text] One of the attacks of which the bill has been the target is connected with the concept of national defense. Not an open attack, more insinuated than expressed, because it has no rational basis whatsoever and aims only at removing substance from the law by means of altering the basic concepts.

In fact, the bill has been accused of trying to institutionalize a concept of national defense that is too simple. As an alternative, a limited concept, close to the foreign policy, basically carried out with military and diplomatic means, is advocated.

Adoption of this last-mentioned concept would place us, here too, in the period preceding the French Revolution, but it would mean, fundamentally -- and this is what, perhaps, is one of the main objectives -- turning the structure of intelligence for defense into a mere military intelligence service supplemented, at best, by news obtained by our diplomatic representatives.

It is very clear that this kind of conception would benefit those who profit from a weak democratic state, blind to everything concerning the indirect maneuvers carried out by foreign powers, especially by the powers attempting to establish models of society different from the Western democratic model, and also incapable of knowing the actions undertaken by domestic groups interested in overthrowing democracy with antidemocratic methods.

I believe that the explanation just presented fully answers the question. But perhaps it is not out of place to go a bit more deeply into this problem.

On the basis of the principle, announced above, that national defense is a practice aiming at national security, or, in other words, national security is a state attempted to be attained or maintained, while national defense is the action to be undertaken to attain that objective, we shall treat the matter of national defense on three levels: practice of defense, theory of defense, ties of defense with the Constitution.

In practice, national defense never has been carried out merely with the military means. Regardless of how far back we go in the history of organized societies, we observe that defense of society as a whole -- often by means of offensive actions against other societies threatening it --

has made use of all the forms of force talked about today: economic, psychological, domestic politics, diplomatic, military. At times, one more than others.

#### Defense in the Constitution

Independently of what is stated above, it will be necessary to ascertain what the concept of national defense, institutionalized by the Constitution of the Republic expressly or implicitly, is. Although it may not be credible, the case might have occurred that the members of the Constituent Assembly -- unwillingly (out of ignorance) or intentionally -- would have advocated a narrow conception of national defense, close to foreign defense (military and diplomatic), overlooking the whole practice and theory on the matter. But, as was to be expected, that did not happen.

Differently from the 1933 Constitution, which, naturally (in the logical orientation of the regime) reduced the concept of national defense to its mere military component, the 1976 Constitution adopts the broad, modern concept of national defense.

In fact, the 1933 Constitution proclaimed, in articles 53 and 58 -- in the final version introduced by Law Number 2100 -- that it was incumbent on the state to guarantee the existence and the prestige of the land, sea and air military institutions as a requirement of the supreme defense requirements of national integrity and of maintenance of public law and order. It confirmed the mandatory nature of military service and the legal regulation of the organization of the nation in wartime.

These rules resulted in a concept of national defense based on the idea of the country's military protection, in which the military, isolatedly, was responsible for guaranteeing integrity of the territory and maintenance of public law and order. It is quite true that this traditionalist conception, influenced by the situation, suffered a harsh blow with the 1939-1941 war that made its change necessary, somewhat contrary to the Constitution, by means of law 2084.

It should be noted, however, that this law has been practically dead letter. It suffices to see what matters are handled in the Higher National Defense Council (normally only military matters) and the disastrous way in which the overseas problem was handled.

The problem is changed radically by the 1976 Constitution:

Thus, it is observed that:

A state of siege and a state of emergency -- situations less urgently dangerous than a state of war -- may result from disturbances of the democratic order or from public calamity. They typify situations covered by national defense, without being typical of military defense.

This means that the concept of national defense adopted by the Constitution of the Republic is the one prevailing in every modernly organized state, distinguished primarily by characteristics of permanency and all inclusiveness (see "Traite Elementaire de Droit Administratif" [Elementary Treatise on Administrative Law], Vol 3, p 104, by Prof Andre de Laubadere).

Article 16, Number 2 of the CRP [Constitution of the Portuguese Republic] states that "the constitutional and legal precepts pertaining to basic rights must be interpreted and incorporated in accordance with the Universal Declaration of Human Rights."

The European Convention on Human Rights, of 4 November 1950, was approved for ratification by Law Number 65/78, of 13 October 1978. This convention, in its articles 6, 8, 9, 10 and 11, states explicitly the restrictions the which the following may be subject: rights to a public trial, respect for private and family life, respect for home and correspondence, freedom of religion or expression of convictions, freedom of speech and freedom of assembly and association, with a view to preserving national security, territorial integrity, public safety, defense of law and order, protection of public health and morals and the rights and freedoms of others.

This is in peacetime, in a normal situation and in a democratic society.

In case of war, the convention provides, in its article 15, that any contracting party may disregard the obligations specified in the articles, with the duty of informing the secretary general of the Council of Europe of the reasons, steps taken and period of time covered.

Comparing articles 148 (1/b) and 164 (j) of the Constitution of the Republic, the following is noted:

Article 148 (1/b):

It is incumbent on the CR [Council of the Revolution] "to approve" international "treaties or agreements" concerning military matters.

Article 164 (j):

It is incumbent on the AR [Assembly of the Republic] "to approve treaties pertaining to its exclusive legislative competence, treaties on Portugal's participation in international organizations, treaties of friendship, peace, defense and rectification of frontiers and also any others that the government intends to submit to it."

According to the opinion of Vital Moreira and Gomes Canotilho, the competence of the CR is exclusive, unless the convention covers other matters, in which case they must be approved also by the AR or by the government, depending on the case involved. Defense treaties involving military matters must also be approved by the CR.



Since this is so, it seems to be agreed implicitly that there may be defense treaties that do not involve military matters. In other words, it seems that defense is not identified only with the military sector.

The CRP states, in article 272/1, that "the duty of the Police is to defend democratic legality and the rights of the citizens."

Maintenance of democratic legality is assigned to the state by the CRP (article 8/1) and more specifically to the government (article 202/b) and through the government to the Police.

Article 273/3 states that "the Portuguese Armed Forces guarantee normal functioning of the democratic institutions and compliance with the Constitution" and, in paragraph 5, it is stated that the FAP [Portuguese Armed Forces] collaborate in tasks of national reconstruction.

Thus it is seen that the FA defend the interest of the Republic and of the state, specified in the Constitution and in accordance with the competent political direction of the organs of sovereignty, in accordance with the opinion of V. Moreira and G. Canotilho, who also say that military service is only one of the components of the fundamental duty of defense of the nation (page 475 of the annotated CRP).

It seems, then, to be concluded that the legislature accepts the broad concept of national defense although it is not specified explicitly, that is to say that national defense is not limited to military defense.

Moreover, and in conclusion, the broad concept of national defense is expressed in the Constitution of the Republic itself when it states (article 9, paragraph a) the following as one of the basic tasks of the state: "To guarantee national independence and to lay the political, economic, social and cultural groundwork that will promote it."

This form of guaranteeing national independence is the type of national defense provided by the Constitution, which was expressed in Base 3 of the bill as follows: "The national defense policy covers all measures that in some way, on a sectoral or on an overall basis, contribute to national security, including cultural, social-economic, domestic and foreign policy and military measures."

#### National Defense Structure

According to what is stated in the speech that I had planned to make in the Assembly of the Republic, it is not easy to reconcile the constitutional text with a coherent structure for national defense.

The impossibility of obliging the Council of Minister to be presided over by the president of the Republic -- inasmuch as the Constitution is explicit when it states that invitation is the only way in which it is allowed,

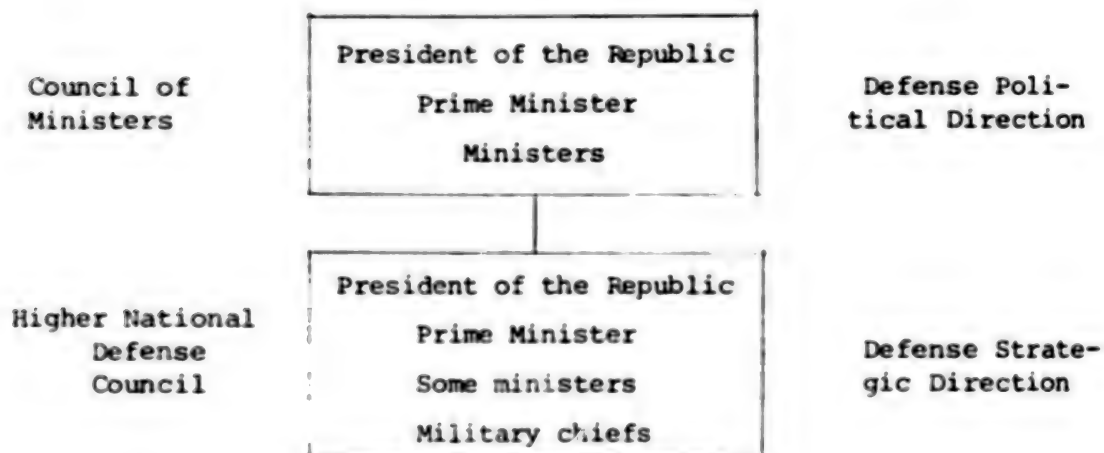


therefore, it leaves that possibility up to the free decision of the government -- and the need for the president of the Republic to be present in the organization of defense strategy direction, which is usual in the defense organizations of foreign countries, as supreme official responsible for strategic direction (and it becomes indispensable in our defense organization, in view of the fact that the PR [President of the Republic] is the summit at which military and nonmilitary actions are concentrated, without ambiguity), these two facts imply, at first sight at little paradoxically, that the PR belongs to an organ "hierarchically lower," in functional terms, than the Council of Ministers.

Because the organization of strategic direction will have to be limited in size, in order to be capable of performing its tasks, an observer unaware, on the one hand, of the difference between policy and strategy and, on the other hand, that the government, in addition to being a political organ (Council of Ministers responsible for the general policy), is also the organ of public administration, may be led to conclude that "some ministers and the PR and the military chiefs control the government."

It is clear that these doubts would not be raised, if it were possible for the president of the Republic to preside over the Council of Ministers. Then, everything would be simplified and the system presented above, with regard to political and strategic direction, would take on the appearance of representative systems of defense organizations in most countries:

Chart I



It seems unnecessary to restate that this, if possible, would be the best solution.

#### Alternative Hypotheses

Nevertheless, and safe for better opinion, the simplistic reasoning of "hierarchical inversion" and of "control of the government by the CSDN" is not correct.

In the first place, because, in fact, the president of the Republic, as well as the AR and the CR, are not excluded from the formulation of defense policy. But their participation is accomplished only to the extent permitted by the Constitution of the Republic: not by presiding over the Council of Ministers, but only by means of the power to appoint the government and to dismiss it. In the opinion of many, this kind of presidential intervention -- having maximum powers but not intermediate powers -- is not advantageous, but the Constitution adheres here to a balance between the organs of sovereignty. That is one of the aspects of the so much discussed field of the "institutional leadership of the President of the Republic."

At any rate, the PR is not excluded from the formulation of the defense policy, because the government is responsible to itself and to the AR.

With regard to the claim of "control of the government by the CSDN," I believe that it has already been pointed out sufficiently that the government and the Armed Forces (public administration and military administration) execute decisions of the CSDN that do not come under the scope of political direction, because, in that case, the decisions are by the Council of Ministers. It should be noted that the president of the Republic is a member of the CSDN as supreme official responsible for defense strategy and he has a vote like the members responsible for the sectoral strategies (ministers and military chiefs).

Here, another explanation is appropriate that may help differentiate political responsibility from strategic (administrative) responsibility. While political responsibility implies the intervention of the collective organ of sovereignty (case of the Council of Ministers and of the Council of the Revolution), strategic responsibility is individual resulting from its own power of acting on matters independently of the position taken by the collective organ, although in agreement with its political decisions. This makes it possible to understand the reason for which a chief of staff has strategic (administrative) responsibilities and a member of the Council of the Revolution not a chief of staff does not have them, because he is only a component of an organ of political direction.

Continuing with the criticisms made of the solution offered in the bill -- which seems to me the least bad of the possible solutions -- alternative hypotheses are being indicated. Let us examine them:

1. One would be:

To set up two organs:

One consisting of the President of the Republic, the Council of Ministers and the military chiefs, appointed by the Higher National Defense Council (CSDN).

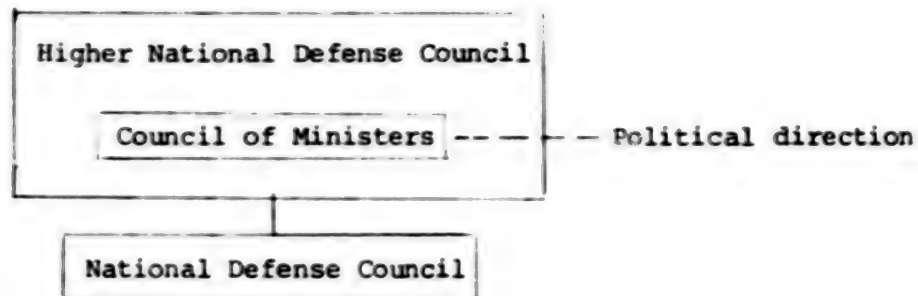
The other made up of the prime minister, certain ministers and the military chiefs, appointed by the National Defense Council (CDN).

That is to say that the defense policy is established by the Council of Ministers in the Higher National Defense Council.

The National Defense Council would be responsible for strategic direction (and never would be associated with political direction, as some propose strangely).

Schematically:

Chart II



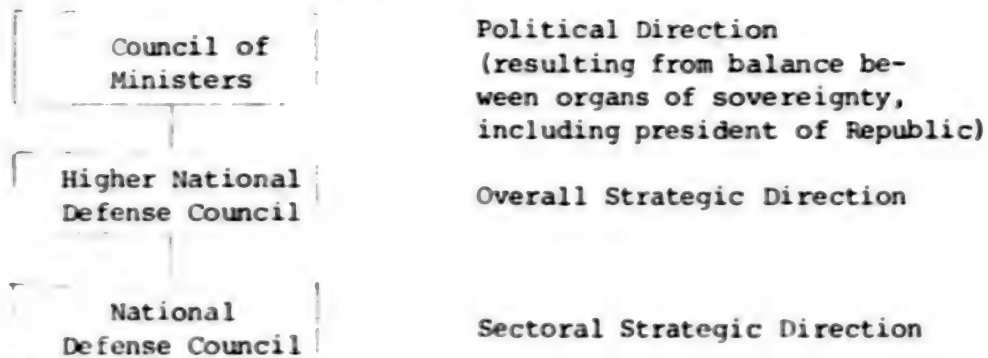
The solution is clever, but, in my opinion, obviously unconstitutional and doctrinarily incorrect.

Unconstitutional, because the CSDN, established only so that the Council of Ministers may specify the defense policy within it, is no more than an organ of sovereignty created against the Constitution.

Doctrinarily incorrect, because it withdraws the president of the Republic from the organization of strategic direction, in which the Constitution does not prevent him from participating (as supreme official responsible for defense strategy), in which he belongs in most of the organizations of this type, in the defense structures of other countries, and in which it is essential -- in the case of Portugal -- for him to be, because he is the only body in whom, without ambiguity, the nonmilitary and the military defense means are joined.

In my opinion, the constitutional and doctrinary solution possible in line with the political concerns that, actually, are attempted to be solved with this "clever" solution (have more ministers participate in the organ in which the president of the republic is), would be schematically:

Chart III



Under these conditions, the president of the Republic would be a member both of the CSDN and of the CDN, for the reasons already set forth exhaustively.

The solution has the disadvantage of setting up too many decision levels -- which would obstruct planning and strategic action -- and it creates an organization (the CSDN) that will tend, in practice, to replace the Council of Ministers with regard to the national defense policy.

1. Another alternative about which I have thought myself, in order to cope with some of the possible concerns resulting from the composition of the Higher National Defense Council, as contemplated in the bill, would be to raise the number of its components up to the maximum limit compatible with the ability of this kind of organization to operate.

According to the bill, the CSDN has 10 full-fledged members (president of the Republic, prime minister, minister of Interior, minister of National Defense, minister of Foreign Affairs, minister of Finance and Planning, chief of General Staff of the Armed Forces, chief of staff of the Army, chief of staff of the Navy, chief of staff of the Air Force).

In many countries, the minister of Industry participates on the CSDN, owing to the importance of industrial strategy in defense (Spain, for example).

In view of the geographic discontinuity of our territory, thought may be given to the advantage of incorporating on the CSDN the presidents of the regional governments of the autonomous regions as full-fledged members, when certain defense matters are discussed for which the presence of those persons might be regarded as necessary (for example, the "establishment of reserves needed for national survival" and "contingency plans and civil emergency plans").

In this way, the CSDN would come to have 11 members permanently, and may have 13 when the presidents of the regional governments participate in it.

## Subordination of the Military Force to the Political Authority

As was stated in the speech prepared by me for delivery in the Assembly of the Republic, one of the objectives whose achievement is sought with the bill is to increase the dependency of the military force on the political authority made legitimate by popular suffrage.

Some persons have denied this intention and, on the contrary, have accused the bill of aiming at increasing the influence of the Armed Forces in the political authority.

That is what is proclaimed openly in the 25 May 1979 communique of the Political Committee of the PCP, when it states: "Meanwhile, the PCP views with extreme apprehension military pressures on the Portuguese political situation and bills that, under the heading of subordination of the Armed Forces to the civilian authority, might lead to an actual control of the civilian authority by the Armed Forces."

This statement by an organization as responsible as the Political Committee of the PCP is, obviously, wrong, as is easily deduced from a mere reading, without preconceptions, of the bill and of all that has been set forth above. Up to now, I have no knowledge of any other argument on which that statement may be based unless it is the one adduced by the distinguished constitutionalist Dr Vital Moreira in an article published in the DIARIO DE NOTICIAS on 5 June 1979.

That argument is, at the very least, paradoxical. After showing his great concern for what he calls "expropriation of the constitutional powers of the CR," a matter to which I referred above, Vital Moreira says: "Submission of the military authority to the civilian authority is an estimable objective, but submission of the military authority to the constitutional political authority, whether or not civilian, is more estimable."

That is to say that the distinguished constitutionalist believes that intensification of subordination of the Armed Forces to the CSDN (the majority of whose members come from the representative democratic mechanism) and to the government leads to control of the civilian authority by the Armed Forces, because the military chiefs are members of the CSDN. In addition to the fact that this opinion is not very flattering to the governments or to the persons making them up -- in view of the insinuation that he makes with regard to an imaginary lack of conviction whose existence I refuse to accept in persons made responsible and legitimate by the democracy -- Vital Moreira, concerned over the supposed "expropriation of the constitutional powers of the CR" and aware of the position of the PCP with regard to the future of that body beyond the transition period (whose continuation it defends), says the following, basically:

There are two "constitutional political authorities: the civilian, resulting from the voting mechanisms -- the PR, government, AR -- and the military, the CR. In seeking to increase the subordination of the Armed Forces



to the "civilian constitutional political authority," the bill leads to control of the civilian authority by the Armed Forces. In case subordination of the Armed Forces is increased (in the sphere of the defense organization) to the "military constitutional authority" (the CR), the civilian authority would come out strengthened. I do not agree.

#### The Council of the Revolution

One criticism that was made of the bill, indirectly however, is the "strange" absence of the name of the Council of the Revolution from the text of the bill, although it is clearly stated in the presentation of reasons in its preamble that "recourse to legislative measures that may, perhaps, be regarded as necessary, postulates the intervention of the Council of the Revolution under the terms of article 148 of the Constitution of the Republic."

I believe that any other explanation would be unnecessary, because the reasons for that "strange absence" seem obvious to me. But I take advantage of the opportunity to report them.

There is a generalized consensus, expressed frequently by the leading political officials -- in writing and orally, and in official documents -- by the leading officials of the Armed Forces and by a number of members of the Council of the Revolution, that the Council of the Revolution has a temporary duration limited by the end of the transition period. The Portuguese Communist Party and some other little important elements are excluded from this consensus.

The one who submitted the bill shares the general opinion and has sought to include it in the text itself.

It is not possible to take powers away from the Council of the Revolution, as long as the Constitution is respected, as, moreover, it could not fail to be. Therefore, the name of the CR never could appear for that purpose.

The one who submitted the bill did not want to strengthen the powers of the Council of the Revolution, because not only his political position with regard to the future of this organization agrees with the generalized consensus, but also he is interested in increasing the dependency of the Armed Forces on the organs of sovereignty made legitimate by popular suffrage. Therefore, the name of the Council of the Revolution could not appear for that purpose.

Thus, the name of the Council of the Revolution was capable of appearing in the text of the bill only in case the repetition of a constitutional rule were justified for a good understanding of the text itself. In accordance with legal methods, only the need for better understanding justifies the repetition of "hierarchically higher" rules (may jurists forgive me). This also was the attitude with regard to all the rules inserted in the Constitution of the Republic.



It was not regarded as necessary, for purposes of better understanding, to copy statements from the Constitution of the Republic in which the name of the Council of the Revolution appeared.

#### Intelligence Structure

Many of the criticisms discussed above and other less important ones conceal the fear of some on the establishment of an intelligence structure, whose existence is indispensable with regard to national defense.

Because the adversaries cannot use rational arguments, in view of the fact that a response to threats can only be planned and executed effectively provided there is a possibility of knowing them, they use the existence of an intelligence structure -- interested, actually, in the democratic state's not having defense mechanisms -- as a marginal argument, attacking the concepts, in order, indirectly, to make the intelligence structure useless, or as an irrational argument, by means of reviving ghosts of the past.

It is not denied that the existence of an intelligence structure entails risks, but every democratic state has mechanisms to restrain them. What democratic states cannot incur is the risks of the nonexistence of intelligence.

Moreover, and in theory, only someone who is seeking to keep the democratic state weak and unarmed, in order to overthrow it more easily, will be interested in sabotaging the establishment of efficient intelligence structures that support the organs of sovereignty.

Normally, anyone who acts in that way (always covertly), has and develops his own intelligence services.

Can there be anyone in Portugal who aims at these objectives and who is strong enough to attain them?

10,042

CSO: 3101

## PROPOSALS FOR NAVAL STRATEGY PLANNING GIVEN

Lisbon BALUARTE in Portuguese May 79 pp 4-11

[Article by Capt Virgílio de Carvalho: "Reflections on Main Points of Portuguese Naval Strategy Thinking"]

[Text] Capt Virgilio de Carvalho is presently attending the Naval War College. After graduating from the Naval Academy in 1950, he served on various vessels and in that capacity participated in a number of international and NATO maneuvers; he also attended ASW courses in France (Toulon) and Great Britain (Portland and Londonderry). On detached duty with the Royal Navy, he took an ASW tactics course and the "Maritime Tactical Course." He was director of training at the Submarine Weapons School and at the CITAN (Naval Tactics Training Center); he was chief of the information division and deputy chief of staff of the Angola Naval Command, commander of the 2nd Division of the Naval Staff, commander of the NRP [support vessel] "S. Gabriel," professor of tactical and strategic doctrines at the Naval War College, professor of naval affairs at the Army War College and the Air Force War College, and advisor to the National Defense Institute.

### 1. Introduction

There is probably not much disagreement as to the advisability of guiding military defense policy by a well-founded philosophy so as to guarantee realism, coherence, and stability in military thinking since many of the measures conceived--specifically, those related to extensive equipment purchases--are intended to be carried out within a period of time that is not always short and are bound to have a very long-term effect.

It is hoped that this brief study, which does not claim to be anything more than a simple compilation of reflections that are limited as much

as possible to the navy, will constitute a contribution to demonstrating the validity of the above statement.

## 2. Problem Setup Factors

### a. Geographic

National territory constitutes a quasi-archipelago occupying a vast area, made up of two Atlantic Island groups and a narrow continental strip situated on the Iberian Peninsula. This configuration primarily results in a strategic vulnerability deriving from territorial discontinuity and the existence of a vast domestic oceanic area. That in turn exposes the country to the development of separatism as a form of political coercion and this requires special attention regarding the sector of interterritorial and inter-island maritime and air transportation; it also "makes it advisable" for the navy to have an oceanic component.

The shape and dimensions of our continental territory provide very short advance warning as to land attack and/or air attack; it offers limited maneuver space for putting together a defense against land attack and it creates a vast maritime frontier which to a great extent is accessible to thrusts by naval power against land.

Practically all centers that are strategically vital from the economic, population, and military viewpoints are along the ocean shore, with respect to the decisive power center, Lisbon, which the English Admiral Napier, who served with us in the cause of liberation, called a "tumor" because he believed that its control is really decisive in any military conflict.

Everyone knows that the geographic location of national territory permits control of the main sealanes which the West, primarily Europe, depends on for the vital supply of raw materials and hydrocarbons. That same geographic position (mainly involving the Atlantic Islands) made it seem advisable to use national territory as a springboard for the conduct and support of military operations in Europe, in the Middle East, and in Africa. As we know and as we can see, these factors promoted considerable interest on the part of foreign powers in what happens in Portugal. It is known that the United States will have to consider that the Atlantic Islands, primarily the Azores, are on this side of a strategic frontier running between the United States and the European and African continents and that the Arab countries of the so-called radical wing and the countries of the Warsaw Pact would naturally like that frontier to run before rather than behind those islands in order to prevent them from serving as a springboard for American interests abroad.

There are two fundamental factors which must be considered here: One is that Portugal, after having been despoiled of its Atlantic Islands, would lose considerable strategic potential as a consequence of the reduction of its freedom of maneuver abroad because it would then immediately have

to accept the alternative of Spain; another one is that the islands, if they were to become independent some day, in the end would be much more at the mercy of interests which today prove to be definitely hostile.

It is also worth recalling that Portuguese territorial waters constitute a break in continuity with regard to the waters of countries which, such as Spain and France, have a coastline on the Atlantic and the Mediterranean and that the Portuguese ZEE [Economic Exploitation Zone] assumes a considerable dimension as compared to the previously mentioned European Common Sea.

#### b. Population

As we know, Portugal has a limited human potential both in quantitative and in qualitative terms; we must not forget that since this involves a factor of military planning which precisely pertains to something that continued to be considered the "supreme weapon." The cultural and technological level of the average Portuguese is still low when compared to the highest European standards; metaphysical culture in Portugal prevailed over scientific and technological culture (which gave the Portuguese a sometimes rather impractical approach) and we can now detect deficiencies in leadership and management capacity. We note a certain lack of confidence in the national elite, combined with an inclination toward copying foreign figures. Although the country's maritime character is often proclaimed, the fact is that the Portuguese people, in all walks of life, does not reveal an attitude that is oriented toward the sea; this is reflected, for example, in the inadequate dimensions of our fishing fleet, our merchant marine, our pleasure craft, and the navy.

#### c. Economic

The country's reduced economic capacity has made it rather considerably dependent on foreign countries and that in turn limits its freedom of maneuver abroad. Portugal depends heavily on foreign countries for its hydrocarbons, raw materials, and food products, to mention only some of the most important items. This vulnerability in turn produces others which are no less important and which are represented by the fact that more than 90 percent of Portugal's imports and more than 70 percent of the country's exports are shipped by sea; plus there is the fact that the national merchant marine presently is unable to handle more than 15 percent of those shipments (not counting the tanker fleet whose capacity can cover almost 100 percent of the nation's needs). We note that dependence on markets outside the Peninsula and on maritime shipments must not be considered only as a vulnerability since greater dependence on the neighboring country, in the economic field and in land transportation, might lead to temptations involving political coercion, such as the one "suggested" recently in connection with the threat to cut TIR [expansion unknown] shipments in connection with the issue involving the fishing agreement.

These limitations also make for the country's reduced capacity to go on, all by itself, in time of war; this is further aggravated by the lack of adequate strategic reserves of critical materials.

Against this background, the exploration of economic resources in the ZEE could assume importance but that first of all calls for a removal of the reservations which, incredible as it may seem, still prevail in Portuguese society today against anything having to do with the sea.

#### d. Historical

Portugal almost always had to follow "in the wake" of the dominant maritime power which means, among other things, that control of the sea decisively influenced the orientation of national policy and that the country was rarely capable of developing sufficient naval power to correspond to the strategic potential of national territory so as to be able to aspire to becoming more the master of its fate. That situation was interrupted, for example, during the reigns of Joao II and Manuel when Portugal was a big maritime power of its own, something which alone made it possible for the country at that time to pursue a policy of its own.

Portugal almost always owed its independence to the support which it got from the dominant maritime power and when Spain achieved control of the sea, in 1580, Portugal lost its national independence. The advance of the Duke of Alba into Alentejo in this case was accompanied at sea by a squadron of 150 vessels that sailed from Cadiz and that seized the Portuguese fortified places along the oceanfront until the final assault on Lisbon, starting with the landing at Cascais. Oddly enough, the advance of the Duke of Terceira from Algarve to Lisbon, during the liberation struggle, was preceded by decisive naval action off Cape S. Vicente, proving correct the strategic mission of the previously mentioned English Admiral Napier, accompanied on the sea by the latter's squadron.

But, perhaps the historical event that best illustrates the strategic potential of national territory and the importance of control of the seas as far as the country is concerned, has to do with the Peninsular wars which represented one of the decisive phases in the traditional struggle between the maritime power and the continental power, at the time, the England of Nelson and the France of Napoleon, constituting a rather strange illustration of the implementation of the strategy of peripheral aggression from the sea, which is so much rooted in the character and the resources of the British. The most noteworthy fact in Wellington's campaign in Portugal perhaps was represented by the strategic concept which he implemented and through which he exploited the natural defenses of the Lisbon Salient which he reinforces with the lines of towers, with the forts along the north bank of the Tejo and with the English squadron, some of whose small vessels sailed all the way upstream to Alverca. The bastion thus put together was transformed into a kind of island, with the scorched-earth policy which was carried out parallel to that. The pattern was further



completed with a ground force that delayed Massena's advance toward the "tumor," which was transformed into a bastion of resistance. Everybody knows the results and we need merely add that Wellington's thinking was apparently revised several days ago in Lisbon by the NATO secretary-general when, in the course of a press conference, he indicated that, if everything goes wrong in Europe, Portugal will be able to be the bastion through which American support can be channelled to the Old Continent.

The invasion by the French Admiral Roussin along the Tejo in 1831—exploiting a grave crisis of national identity deriving from the Liberation Struggle in order to impose the will of his rulers—also illustrate the vulnerability of the Lisbon "tumor" when it comes to politico-military coercion operations and, together with the episode mentioned above, confirms that the vital objective on national territory really is the capital.

The historical role of the Atlantic Islands stands out clearly through the bastion represented by Terceira Island during the Liberation Struggle; it became famous for its resistance to the assault by the Miguelista and English naval forces and because it was used as a point of departure for operations on the Continent as expressed by the famous landing at Mindelo.

Likewise of major interests are the naval activities, involving a show of the flag and protection, regarding merchant shipping during the 18th and 19th centuries through the escorts provided for the convoys from Brazil and the coastguard and strait squadrons which chased away the Algerian pirates who were hitting those convoys, the Island of Madeira and Porto Santo, and the coast of the Continent itself.

#### e. Technological

From the spectacular increase in the destructive potential of the implements of war, in terms of firing accuracy, fire power, and detection and tracking capacities, one was able to draw the conclusion that future wars will have a tendency toward being much shorter and they will probably be unleashed by surprise in order to attain the decisive initial advance. Another conclusion, which is very important to keep in mind, is that the powers will be progressively tempted to opt for implements of war that are less vulnerable to the destructive effects of modern arms and, surprisingly enough, cheaper at the same time.

As far as war at sea is concerned, rapid technological developments can be reflected in the effort to obtain naval units with a greater survival capacity, better adaptation to the first-strike war (element of surprise), at lower costs, which seems clearly to point to submarines and small anti-ship missile-firing units of the fast frigate and corvette types. On the other hand, the probability of a prolonged war at sea theoretically will have a tendency to decline because, on top of the fear which the big blocs will have when it comes to being drawn into a generalized direct conflict, one will have to take into account the growing destructive powers of precision-



guided weapons that already produced such surprising losses during the Kippur War, to the point of leading to the exhaustion of many American reserve stockpiles with which to resupply Israel. On the other hand, the navies of the world are beginning to realize that, during the relatively long period of time it takes from the design of a new ship, until it is commissioned, technical evolution is such that a new unit begins its operational activities already facing problems of obsolescence while its life is characterized by repeated, expensive and immobilizing modernization. It seems that a tendency is emerging from these factors among some of the European NATO navies since they believe that they will have less and less of a capability of keeping up with the rapid evolution of technology and the prices resulting from competition between the two superpowers. From the combination of these factors with the growing concern with the protection of economic resources in the ZEE, there seems to spring an assumption that the European navies in the military organization of NATO should, within the context of the Alliance, only devote themselves to the control of what they call their "marginal sea," leaving the highly expensive oceanic mission to the United States. As a visible consequence of this tendency, we can now witness the appearance of missile corvettes in various countries and the start of the construction of vessels of the ocean escort class initially earmarked for surveillance of the ZEE (mere hulls, with much reduced armaments and equipment but provided with the on-board helicopter now used as naval weapons systems), although already planned for being converted, in case of war, as rapidly as possible into ocean-going escort vessels with a ASW, AA, and surface capability which however may not yet be as developed as would be desirable.

Another tendency detected here consists in the fact that the navies of the big powers are beginning to design small vessels to "last" only about five years, after which they would be sold to powers that are less demanding from the technological viewpoint, designed to contribute to the kind of progress which in the end is turned against them.

Another very important consequence is that technological evolution--in making it possible for less well-endowed countries to have small vessels with a great combat capability (as is true of the anti-ship missile frigates and corvettes)--gives them a better opportunity of controlling their own "marginal sea" and being able to defend themselves effectively against "gunboat diplomacy."

This means that the vessels of the future, primarily for navies with less money, will be submarines and small, fast anti-ship missile-firing units (frigates or corvettes, depending upon how rough the sea is).

#### f. National and Military Defense Policy

The national defense policy which a country needs will very probably have to be based on three major points, that is, prevention, deterrence, and the right of legitimate defense. By prevention we mean the reduction or

elimination of vulnerabilities—for the purpose of reducing the possibility of their exploitation by any possible sources hostile to the national interests—and the utilization and development of existing potentials. Deterrence includes military and psychological components and is aimed at the creation of material, political, and psychological risks which would persuade any possible aggressors to take those factors properly into consideration. The right of legitimate defense is spelled out in the United Nations Charter.

Regarding prevention, since the major East-West conflict (which progressively reduces all the others to satellite status, as a result of the growing technological and economic gap between the superpowers and the other countries), is taking place primarily in the economic and psychological fields, the important thing is to step up the nation's material and moral resistance in order to preserve its authentic identity and independence. As far as deterrence is concerned, it implies a psychological and military capacity to resist acts of force; the very least here is for the country to have the capability, through its own decision and action, to assure its defense and to beat back attacks upon its sovereignty and territorial integrity, under circumstances in which one could not immediately get assistance from the Atlantic Alliance or when such assistance is completely out of the question while resisting at least for the time normally required to produce reactions from international institutions and worldwide public opinion as well as alliances. In this field, the countries need much clear understanding in order to learn how to distinguish where a fair reduction in expenditures for the armed forces terminates and where playing into the enemy's hands actually begins. The drama of foreign armed intervention in Lebanon, which displayed the military and psychological vulnerabilities familiar to everyone, clearly illustrates the risks facing countries which, located in regions coveted by the big powers, fail to look to their own defenses. On the other hand, we must not forget conflicts of a maritime nature which broke out between neighboring countries, such as Spain and Morocco (the sardine war) and even between members of NATO, such as in the case of Iceland and Great Britain (the cod war) and of course Greece and Turkey (issue of Cyprus and economic resources in the Aegean Sea). It is also true that a national defense policy must likewise consider international prestige and freedom of foreign maneuver attained through the possession of a military power backed up by credibility. In the case of Portugal, that is to say, particularly with respect to the navy, there are moreover contacts to be maintained with Portuguese-speaking countries and with Portuguese communities abroad to whom we are tied by important cultural and economic interests.

#### g. Strategic Concept of Military Defense

Portugal must absolutely base and dimension its military fight in accordance with a strategic military defense concept which will really take into account the geographic, human, economic, technological, and historical

factors and which will utilize and derive benefit from the country's strategic potential. This is why, in our opinion, the concepts must above all follow the island spirit. As was emphasized earlier, Portugal must absolutely preserve its strategic potential which is given to it by the current makeup of its national territory. Thus it is necessary to reduce the vulnerability deriving from territorial discontinuity which, in military terms, calls for the transformation of maritime and air space, that is, the break in continuity, into a closely-linked pattern which means that military power will have to be distributed among the three island groups and throughout the sea. On the other hand, the truth is that territorial discontinuity can also constitute a potential if we were to adopt a military defense concept aimed at defense echeloned by regions (the old strategy of not putting all of your eggs in one basket); this, once again in military terms, would continue to point to the distribution of military power over the island group and the sea as well as the creation of an adequate air and maritime transport capability. All of this means that Portugal's military defense could be organized in the form of resistance bastions to be "erected" for example in the Lisbon Salient, in the Azores, and on Madeira. As for the defense of the Lisbon Salient (Napier's "tumor") could it be that Wellington's concept might today once again be practicable by resorting to a delaying air-ground component and the destructive power of AT, AA, and anti-ship missiles which provided such conclusive proof during the Kippur War, stopping Israeli air and ground power and keeping the Egyptians from trying amphibious landings in the Israeli rear? Since it appears that Portugal might be considered by the Atlantic Alliance as a resistance bastion in case things should go from bad to worse in Europe (the above-mentioned statements by the NATO secretary-general), a concept such as the one recommended here might perhaps have a good chance of being adopted by NATO.

It is of course perfectly true that the idea presented here might be considered at least controversial but it must be made clear right now, for the purpose of this study, that it interests us only because it seems to us that an island concept is the thing that involves the creation of major political, psychological, and military risks for any power that might become an aggressor. On the other hand, the establishment of bastions turns out to be advisable in order to rally national and/or allied reinforcements in case of aggression.

### 3. Naval Policy

Having succinctly lined up the main factors in this setup, we finally come to the central problem of this study--the master guidelines for Portuguese naval strategic thinking.

To serve a strategic military defense concept with the recommended island spirit, the navy would have to have a network of naval bases with a coastal naval component to cooperate with the air and ground forces in the defense of the bastions and with an oceanic naval component.

As for the bases, we would need the current Lisbon Naval Base, a naval support facility in the Azores and another one on Madeira, preferably in combination with air bases, in other words, on Terceira and possibly Porto Santo.

Regarding naval units for coast defense, those most indicated, as we emphasized earlier, are submarines, small missile units (replaced by corvettes, in case of heavy seas, as is true mostly in our case) and minesweepers. Submarines were picked by the Soviet Navy, during the first phase of its evolution, which was characterized by the exclusive concern with territorial defense against American amphibious attacks and strikes launched from aircraft carriers, as its principal naval weapon. The same concern can currently be detected in the development of the navy of the People's Republic of China which already has the world's third-largest submarine fleet and Pakistan which credited the presence of its submarines with persuading the aircraft carriers and the amphibious forces of the Indian Union to avoid the coast of Western Pakistan during the War of Secession of Eastern Pakistan. As for the small missile units, they also constitute a very important part of the navies of the USSR and the People's Republic of China, in line with the concern for coast defense, and they constituted the bulk of the navy of Israel, in its great success in the naval phase of the Kippur War, now joined by new, likewise missile-launching corvettes. In addition to their specific mission against the cheapest and most insidious threat known to maritime communications, minesweepers can also be used for coastal patrol purposes.

Regarding the national oceanic component, the latter would have to be made up of a permanent naval force with a capacity to show the flag, to obtain control of the sea, and to intervene in the Domestic Oceanic Area, for which purpose it would have to have some ASW, AA, and primarily anti-surface and amphibious and/or vertical assault capability. Consequently, the permanent naval force would have to have a sea control element (aircraft carriers with amphibious and/or vertical assault capacity), an armed escort element (preferably for surface warfare, and a mobile logistic support element. A cheap solution for the sea control element (perhaps not economical) might reside in a vessel that simultaneously would combine the capabilities of a command ship, aircraft carrier, Marine Corps transport, and ocean-going resupply vessel, a solution already attempted although inadequately followed up in the form of the conversions made on the support vessel "S. Gabriel." The existence of a permanent naval force would thus be of the utmost interest as the high point in a naval career and as a training opportunity on the sea; besides it could constitute a convenient naval instrument for the management of crises which can always arise in neighboring countries, for example, in connection with conflicts of maritime interest which are becoming increasingly frequent. One very important element of the ocean component consists of vessels for the surveillance of the ZEE, mainly sturdy, easily-handled, and very simple vessels with a minimum of armament and equipment but with a helicopter of their own which is becoming indispensable in widening their area of surveillance and in carrying out humanitarian support



assignments along with economic activities on the sea. Ocean-going escort vessels, likewise not very complicated, can become necessary for the direct or indirect protection of civilian, merchant, or fishing vessels, in case of the outbreak of phenomena of maritime warfare, such as those that have already been observed in recent times, specifically along the not too distant coastline of the Western Sahara. In these emergencies it likewise seems that one might contemplate the possible assignment of Marines to civilian vessels destined to sail in the most sensitive areas for which purpose adequate training would be required.

#### a. Equipment Policy

As we said earlier, the speed of technological evolution, the continuous rise in the price of naval units, and the cost of their maintenance, their growing vulnerability to precision-guided weapons, and the need for assigning major priority to the tasks of showing the flag and surveillance in the ZEE, are creating a tendency toward what we call "platform policy." In summary, it consists of the design and construction of hulls which are properly adaptable through adequate planning to various types of vessels, as the circumstances might require. For example, the hull of a corvette, such as ours of the "Joao Coutinho" class, could be used for a vessel for the ZEE (with very light armament and helicopter), a light escort vessel (as in the case of the vessels of the "Baptista de Andrade" class), and a missile corvette (identical to the Spanish ones in the "Descubierta" class, derived from the same Portuguese hull). This policy, for example, was adopted by the navy of Norway, with vessels similar to the new vessels of the U. S. Coast Guard which can be converted into frigates in case of war.

A policy aimed at simple and homogeneous vessels, deriving from the adoption of a "platform policy," would appear to be very suitable for the Portuguese navy since it would provide more efficient and more economical maintenance (with a subsequently higher rate of operational readiness), faster and more efficient personnel training (meaning that personnel would spend less time in schools), more efficient shore training (because the necessary simulators would be cheaper, less numerous, and more diversified) and, which is very important, this would provide greater opportunities for national industry to participate in the construction of ships, equipment, and spare parts, with all of the advantages deriving from this in economic, political, and strategic terms. On the other hand, it is believed that vessels of this type could more easily be sold to the young countries who proved to be interested primarily in simple, light units for the protection of their coasts and ZEE (oddly enough, it is precisely vessels of this type--corvettes derived from the original Portuguese design--which Spain is now building for Morocco). On the other hand, it is the sturdier and simpler vessels that are better adapted to the human factor and to the Portuguese Sea and in the final analysis it is they which basically perform better in action since, as Napoleon said so correctly, the entire battlefield has a tendency to turn into an inevitable mess which, in our opinion, definitely points toward simplicity of methods and simplicity and sturdiness of equipment.

The "platform policy" certainly does involve one inconvenience in that it could represent a reduction of contacts with NATO and with the technological and military progress which always derives from those contacts for Portugal. As far as that is concerned, it has been argued that such contacts can indeed be maintained with regard to submarines and minesweepers and that this inconvenience would not even arise if the tendency of the European Navy, toward the determination of their primary responsibilities along the "marginal seas," were to prevail in the Atlantic Alliance. In the meantime, if NATO indeed needs our effort regarding the maritime communications war, it is understood that we will have to adjust to that interest, but within a perspective that would be as economical as possible for Portugal, in view, not only, of inconvenience in terms of equipment costs but also as a result of the serious management problems deriving from the assumption of that responsibility. This means that the funds to be procured for the purpose of achieving this extension of Portugal's responsibility within the Alliance will have to be shared heavily by the allies and will have to be in line with the spirit of the "platform policy" although this implies that "we would be going along less with current fashion," something which in the final analysis invariably happened in the end.

#### b. Personnel Policy

It is realized that the central concept of a personnel policy must be the individual as the "supreme weapon" who is considered very important, particularly for the armed forces of countries with few material resources, where equipment shortages will have to be made up for through personal valor. Besides, as we emphasized under 2.a., there is a rapid technological evolution and the importance of the element of surprise in war keeps increasing; this creates a tendency toward upgrading the value of the capacity for initiative and creative imagination in man and therefore strengthening the validity of this concept.

On the other hand, if an equipment policy, like that of the platforms, were to be adopted, then special attention would have to be devoted to the continuous scientific, technological, and military-professional refresher training of all personnel so that the men will be able to keep up with the rapid adaptation of existing vessels to the requirements of a generalized East-West conflict.

Another important concept regarding personnel resides in the basic status of these men as sailors; this should make for their full identification with the sea through the development of close physical contact with it and to the in-depth development of their knowledge in the scientific, economic, cultural, and historical fields. It is therefore necessary really to provide a privileged status for the naval service and for the career at sea.

Personnel stability is another important fundamental requirement of any personnel policy; its implementation results in an improvement in



professional competence and greater efficiency in handling and operating equipment. Only personnel stability makes possible the so-called school of the sea and, on the other hand, from it are derived benefits in terms of wellbeing and career motivation.

Since we are dealing here with an important national vulnerability, as we stressed in 2.b., we must, on all levels, take care of proper personnel training in the fields of leadership and management.

#### c. Naval Aviation Policy

No navy with an oceanic mission can completely discharge its responsibilities in the field of maritime strategy (including support for economic activities on the sea, constituting a classical factor of the maritime power) without the support of a specialized long-range naval aviation component; this is why most of the navies, especially those of the superpowers, have their own naval aviation. Portugal's navy is no exception to that rule; but the fact is that naval aviation was eliminated when the air force was created. The regulations concerning support to be provided by that new service for the other services initially provided that "military aviation shall have air units for independent operations and air units for cooperation, the latter being placed under the control of the ministries of the army and of the navy, for employment by the respective command." The spirit of this legislation, which launched the Air Force and which eliminated naval aviation, thus to me seems to provide for the opportunity to have the navy continue to get the support of an air component trained to carry out missions in the field of maritime strategy. We know only too well that the shortage of funds, in the at least immediate future, will perhaps not even permit an assumption as to a compromise of the "Coastal Command" type of the RAF which made it possible to preserve the special skills and spirit of naval aviation outside the "Royal Navy," thus leaving the navy with the obligation to give its oceanic area of command the structural and material capability for conceiving and directing the employment of aircraft based on land which the Air Force might be able to assign to maritime strategy missions, with the participation of personnel which that service might consider suitable.

#### d. Territorial Command

A concept in line with the island spirit would be better served to the existence of territorial maritime defense command in each section of national territory, trained for participation in its defense, plus a single operational command for the domestic oceanic area whose commander would be a kind of assistant to the CEMA [CNO] for air-naval operations in peace time (including surveillance of ZEE) and wartime.

#### 4. Principal Conclusions

In accordance with the scenario outlined here and the reflections sketched, we realize that the following, among others, could be adopted as some of the possible master guidelines for Portuguese naval thinking:

Fomenting an increase in national maritime power by making the country aware of national maritime interests, within the sphere of its own action;

Inspiring a naval policy with an island approach, arranging the navy's resources in accordance with components for coast defense, domestic oceanic sea control, ZEE surveillance, and sealane defense;

Planning the procurement and modernization of naval units according to a single national criterion of homogeneity, sturdiness, with a concern for cost-efficiency, simplification of management, and development of participation by national industry, a criterion to be applied without any restrictions, including those that might concern any possible procurements for the specific purposes of the Atlantic Alliance;

Defending Portuguese Naval participation in Atlantic Alliance according to a preferential criterion of responsibility for control of the Portuguese "marginal sea";

Maintaining a priority concern for personnel who must be considered as the "supreme weapon."

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## DEFENSE LAW ALTERNATIVES DISCUSSED

Lisbon DIARIO DE NOTICIAS in Portuguese 18 May 79 pp 15, 16

[Excerpt] CSDN: Essence of the System

Apart from the series of generalities that may be expected from this kind of bill (basic objectives of the national defense policy, duties of the state in the international sphere, right of legitimate defense, international security systems, selective service, national security laws, preparation of the nation, state of siege and of emergency, military mobilization and civilian mobilization, commandeering of citizens, and so on), what should be regarded as the "nerve center" of the system to be established is found in its chapter II -- National Defense Structure -- paragraphs 18 and 19. It refers concretely to the so-called Higher National Defense Council [CSDN], consisting of the president of the Republic who heads it, the prime minister, the chief of staff of the Armed Forces, the ministers responsible for the sectors of National Defense, Foreign Affairs, Internal Administration and Finance and Planning, in addition to the heads of the branches of the Armed Forces. "When called on by the president, other agencies whose presence is regarded as necessary may participate, without the right to vote," in the council. It meets "regularly once each quarter and specially whenever convoked for that purpose by the president on his own initiative or at the request of the prime minister or of the CEMGFA [Armed Forces Chief of Staff]." In a state of war, the council "begins to operate in permanent session and its composition then be altered: a) by more members of the government appointed by the prime minister and b) by three members of the parliamentary opposition to be designated by the Assembly of the Republic, in case the president of the Republic believes it necessary to convoke them."

According to what is proposed in the bill, "the Higher National Defense Council specifies the national defense strategy, makes decisions in matters of general management of defense and draws up the sectoral guidelines." Very concretely, it is responsible for the following: structuring of national defense, preparation of general armament and equipment plans, contingency plans and civil emergency plans, national policy

on national defense intelligence and guidance of an intelligence organization subject to its own legislation, establishment of reserves needed for national survival, basic infrastructures, measures stemming from international treaties or agreements affecting the defense policy. In short, finally, the guidelines of the whole system intended to be set up are stated in it, in view of the fact that "the government and the Armed Forces are responsible for executing the missions resulting from the strategy established by that higher council," as is stated exactly at once in the "statement of motives" of the bill.

Nevertheless, in everything stated there is not the slightest reference, direct or indirect, to the role of the controversial Council of the Revolution. The bill ignores it completely.

At any rate, this is the question: Will this actually be the document that the parties desired? Or (in view of a probable passage in its general terms), up to what point will they take advantage of it, later, to "work it over" suitably at the time of the discussion on details?

#### The PSD Alternative

"At present, we do not yet have any idea formed on the position that we shall take, and we have not even made a thorough examination of the government's bill," Herculano Pires told us, when we approached him to learn what the PS [Socialist Party] thought of the bill.

The same reply (we might almost say in the same words) was given to us by Acacio Barreiros, of the UDP [Popular Democratic Union], and two independents from a different quadrant: Magalhaes Mota (a prominent figure in the social-democrat independent bloc, and Lopes Cardoso (formerly of the PS, at present leader of the UEDS [Socialist Democratic Left Union]).

Then, Azevedo Coutinho, of the CDS [Social Democratic Center Party], was slightly more frank in his reply: "In principle, we are in favor of the bill, although it does not seem to us to be perfect. Therefore, we shall put forward several proposals for changes. At any rate, our position in the plenary session will depend considerably on the consensus arrived at by us with the other parties and on the analysis of the bill in committee."

With regard to the PCP -- and its parliamentary leader, Carlos Brito, answered our question -- "the bill inspires serious reservations in us and seems to us not to meet fully the objectives stated in the Constitution on the subject. We are certainly going to put forth amendment proposals, not precisely an alternative version, but certainly a series of proposals for thorough changes."

The matter of the alternative version came up precisely in the reply obtained by us from the PSD [Social Democratic Party] through its deputy -- and member of the Parliamentary National Defense Committee -- Angelo Correia.

Therefore, we separate it very concretely from the group made up of the more or less similar replies given by the other parties represented in Parliament and contacted there by us.

Thus, in the opinion of the PSD (Angelo Correia), "the government's bill suffers from a terminology and a conception that are too military. Moreover, its articles lend themselves to some ambiguous interpretation, insofar as what is announced does not always agree later with what is done, in practical terms. They even lend themselves to some confusion with regard to the role to be played, in the body of the document, by the organs of sovereignty and of direction." Thus -- it is still Angelo Correia who is talking -- "it is absolutely certain that we shall come up with an alternative version for the bill submitted by the government. That version, or rather, that bill, let us say, is inspired by the bill on the subject that we drew up some time ago but that we never came to submit."

With regard to the question asked by us on whether "that alternative version mentioned will be subscribed to only by the social-democrat group or in collaboration with some other party," without replying concretely, that deputy gave us to understand, however, that naturally that would be the intention most liked by the PSD. "But if it should be entirely impossible to achieve this, we shall introduce the version by ourselves," he concluded.

There seem to be no doubts that the partner sought is located precisely immediately to the left. That is to say, the socialists. In fact, the members of the center seem frankly to be in favor of the government bill. With regard to the PCP, it is known how prudent and cautious its (political) tactics have always been with regard to the Armed Forces. In addition, and although in his statements the socialist spokesman did not tell us, it is already known in the corridors of Parliament that the "Loureiro dos Santos bill" not only does not satisfy the PS in terms of that clear and objective incorporation of the Armed Forces in subordination to the democratic civilian authority at which the Constitution aims, but also there are details in it that, as the saying goes, create mistrust in that party. Essentially, the "confusion" made in the text between national "defense" and national "security." And within that somewhat "unusual" identification of one with the other, the steps provided in the bill for purposes of establishing an effective intelligence service leading "to the obtaining of necessary intelligence for making the decisions incumbent on the agencies responsible for national security." Then it is stressed that "the information, documents, materials, facilities and activities knowledge of which by unauthorized persons involves a risk for national security are regarded as classified matter and subject to special safeguard and protection measures."

Now, it seems that the socialists are frowning most strongly precisely at the chapter on security and intelligence.

At any rate, and for now, the government's bill has been undergoing an initial, careful examination since Wednesday, when the subcommittee appointed by the Assembly exclusively for that purpose began to pore over it. The subcommittee is made up of Jose Luis Nunes (PS), Angelo Correia (PSD), Azevedo Coutinho (CDS) and Jorge Leite (PCP). No one doubts that they are four specialists on the subject.

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## EDITORIAL UNDERSCORES NEED TO APPROVE DEFENSE LAW

Lisbon DIARIO DE NOTICIAS in Portuguese 10 Jul 79 p 3

[Editorial by J. Baptista Comprido: "National Defense and Portugal"]

[Text] It certainly will not fail to surprise even someone who has a somewhat developed notion of national defense and who is slightly up to date on this topic developed recently in our country, that much more (and good) has been done in Portugal than might be assumed, but infinitely less that what might be desirable, at times necessary and possible, on that subject.

There has been a very generalized tendency in our country (also because, in practice, it agrees with the true situation) to identify national defense with the military force. Therefore, there are reasons that go deep down into history, when an attempt was made to establish frontiers and, later, to sustain them for centuries. And also, at the same time, when the nation discovered itself politically and concluded that its defense should be taken on by all the citizens, and not only by the royal defense forces.

Simply, ideas have always been assimilated by us much more with the heart than with the mind, giving rise to enthusiasm and attitudes that, at times, not even elementary common sense succeeded in curbing adequately. Institutions never developed to the end, rather they went on increasing or expanding, rarely replacing, in an improvident expression of constant dissatisfaction and rapid abandonment by all. And because the state also was discovered, the state that would work, would study carefully what was indispensable, but would also guess and satisfy the desires of each and every one.

Therefore, the unfinished or imperfect developments that occurred in the Portuguese social body have always left us adrift somewhere, without a course, at the mercy of the saving state and of its sword, at times disciplined and effective, other times anarchical and conflicting. The militarization through which the Portuguese nation has passed is a historical fact.

The nation's defense was tested several times and it held out as long as it was not dispersed by strategic excesses that weakened us on the whole. This dispersion always made unity in defense impossible. And, what is more serious, it created tension that gave rise to stiff, compartmented mental structures in which anarchical emulation was superimposed on coherent cooperation. It has already been said that the political elite succeeded, generally, in mobilizing the nation's feeling for defense of the country in immediate danger, but they did not know how, or were unable (or, deliberately, refused) to teach it the reason for conscious defense of the country.

#### First Structure

Of course, other reasons might be added to those, in order to understand the natural lack of comprehension or, even, the convenient disregard for the concept of national defense, when it arose in Portugal at the beginning of this century. And (it should be noted), without delay, almost simultaneously with its appearance in Europe. We were extraordinarily fast in assimilating the concept. So fast that it is reasonable not to accept without amazement or without fright the fact that, at the beginning of this century, there already was a Supreme National Defense Council in our country. But, perhaps, it no longer merits so much amazement to add that this council was approved in Parliament against Parliament itself, against the government and against the Constitution itself. It was, actually, a legal, technical, constitutional and democratic abortion! The fact is that what was involved was a "democratic" institution composed of the president of the Council of Ministers, the ministers of War and Navy, nine generals and two admirals. The king, as chief of state, could preside, but without a vote! Those ministers ended by executing in their sectors the "democratic" deliberations of the military advisers subordinate to them and the rest of the government also! Institutionally, that was how national defense began in Portugal!

But it must not be judged hastily that there were no clearheaded, competent organizers up-to-date on national defense, in the already developed concept at that time. It may even be said that there never has been, in Portugal, such a rich education on national defense that not only addressed itself to the supposedly responsible political class, but also, as is basic, to the great mass of the people of the nation. Most of those teachers were famous military men, on active duty, first with a seat in the Parliament and then in the Congress. Sublime abnegation of the military and supreme humility of the deputies!

#### National Indifference

But the nation's indifference to these matters never was successfully broken down. Government authorities used up their energy and attention excessively in partisan struggles of little benefit to the country. The people continued to be plunged in their ancestral improvidence, capable of accepting,

with resignation and stoicism, the greatest sacrifices in the face of the danger that they allowed to increase shortsightedly and that always ended by leading to suffering and stagnation, with repetition of the past process of convulsion or crisis.

Added to this state and way of being was the historical difficulty that the Portuguese embraced simultaneously politicians and strategists, not to mention economists. Here there always has been much mistrust by the politicians of this century in connection with mediating military traditionalism and much dissatisfaction by the military with regard to the excessive sectarian enthusiasm of Portuguese political party members. In between the two, the people, always ready to applaud the dominant side.

Moreover, our minds, empirical and not very demanding, incapable of lasting innovation, have a tendency to resort to a foreign model, already finished, easy to retouch nationally. But, since usually there are several models, we also always end up, as an expression of high democratic compromise, by also adopting another original model that obviously is of no use to anyone.

Thus it was that, in spite of valuable contributions that were made at that time to the establishment of a doctrine of national defense, it was never possible, even as a primitive military concept of defense, to go beyond a Ministry of War and a Ministry of the Navy, which were close to each other only topologically.

#### Organic Defense

The value of our European-Atlantic geostrategic position had already been noted during World War I. But the second world hecatomb, with its worldwide expansion in every dimension, was what was to consecrate our joining the Atlantic Alliance, precisely on the basis of that strategic value.

As NATO partners, we had to take the first step of minimum opening up, more as a compromise than because of desire, with regard to tackling the organizational subject of defense of the nation. We took deep inspiration from the French structural model, to which we added Anglo-Saxon terminological variations as was suitable. The structures set up never operated either with the direction or the scope that the content of national defense had conferred on them. The result was that there was, in practice, a single working body, a kind of extension upwards of the military institution and a minister administering without a ministry.

Furthermore, the country's geophysical location, entering and extending itself frankly in the Atlantic, in a region of strategic wealth vital to NATO and the nation's historical tradition of nonintervention in Europe caused the three branches of the military component to have an unequal participation in the organization. The main part was passed to the Navy and laterally to the Air Force. The Army was to see its fate aborted with the start of the war Overseas. In spite of integration at the top, there

was no time for the military component to cease continuing to be fertile in fragmentary criteria, different conceptions, different methods and principles. A single strategic plan or a common doctrine was never conceived.

The overseas wars, which once more could count on the abnegation of the Portuguese people, brought extensions to a defense framework that, little by little, ceased being national and accentuated essentially regional characteristics.

Awaiting

Thus, the new military link is reached in this swinging Portuguese historical chain whose constant motion (but that certainly no one wants to be perpetual) it has not yet been possible to stop as it passes through its stable position.

It is obvious that only the 1976 Constitution has made it possible to lay the minimum groundwork, in order to be able to legislate on national defense in the present Portuguese situation. It is not unknown that the excessively anarchical political and military period that preceded it gave rise to highly negative effects, generating objective and subjective consequences that have revived mutual distrust between politicians and between them and the military. But let us have no doubts. Only a conscious agreement and the political desire to adopt the broad modern concept of national defense and its materialization in a law will make possible an increasing intensification of "demilitarization" of politics and of "civilization" of the military and with both the creation of an instrument indispensable to the democratic state with a view to its effectiveness and dignity.

And where is the national project that compels and motivates and that is worth defending? What mentality and civic training do our people have for their defense? The answers are still negative, but they cannot (they must not) be a basis for the lack of a law on national defense. Much to the contrary.

A realistic and simple organization of national defense, its effective functioning, its adequate and timely decisions, its committed, earnest action, can undoubtedly contribute to viewing the nation in its entirety, on the scale of its true dimension, indispensable for the project to cease being a pious intention and for defense to take shape naturally in the minds of the citizens.

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CSO: 3101

## SPAIN IN NATO: EFFECTS ON PORTUGAL DISCUSSED

Lisbon DIARIO DE NOTICIAS in Portuguese 5 Jul 79 pp 3, 6

[Article by J. Baptista Comprido: "Spain, NATO and Portugal"]

[Text] In recent years, on occasion of the annual NATO summit meetings, increasing expressions of Spain's intention to join NATO have been witnessed. Not only some political and military officials of the organization but also government authorities of the neighboring country have been striving diligently for this.

An analysis of Spain's admission to NATO can be made on the basis of several angles. Some pertain to Spain itself; others, to NATO as a whole; still others, to outside repercussions. Perhaps, however, it is more interesting at present to discuss briefly those points of view that concern our country, in a more limited but much more direct context.

During the previous political regimes in both countries, Portugal always supported Spain's admission to NATO and likewise to other international organizations. Whether or not because of political solidarity of the regimes, the truth is that it was thought that the isolation to which Spain was dedicated was neither beneficial to defense of the West nor to ourselves.

NATO has compensated for the political difficulties opposing Spain's admission and has acquired Spain's important strategic contribution by means of the mutual agreement with Spain granted to one of its members.

We have seen Spain derive, in turn, benefits from that agreement as great or greater than it might possibly have had if it had joined NATO and we have witnessed its diversified and powerful military reequipment and a practice and high operational standard as if a member of NATO were involved. We were covered bilaterally by the improperly so-called Iberic Pact and the clauses of the North Atlantic Treaty.

At present, Portugal and Spain are working on constructing a democratic regime in their countries. They have officially updated their relations



of friendship and cooperation, based on historical, moral and material mutual interests. They are aspiring to integrate these interests in the field of European interests.

If Spain decides to join NATO (and it is a decision in which we cannot and must not involve ourselves without certain risk of interference or meddling), should we or should we not support that joining?

It seems that the answer must be sought in an evaluation of significance and degree of advantage that this admission will represent for us.

Politically, it seems impossible that there can be coherence, if the answer is negative.

The past political difficulties have been buried with it. And even if there still is a fleeting trace in some of our NATO partners, it is not believed that the political solidarity of a positive vote would bring us benefits greater than the disadvantages.

The applicable constitutional principles governing our international relations would not be damaged, if we took into account the parameters still prevailing in the balance of world power. The announced political reactions of third parties resulting from Spain's admission to NATO could only affect us if this admission did not achieve the coherent aim of strengthening an alliance to which we belong and in which we still believe.

In the field of strategy, perhaps it is advisable to start by saying that, since always, the functional effectiveness of NATO's defensive mechanisms on the Iberic Peninsula would depend, possibly, to a much greater extent, on the position that Spain would take with regard to NATO or on its political attitude, if it should not be a member of it. It will be easy to agree that security would increase, if the expression of peninsular policy were the same.

It is alleged, at times, that Spain's admission to NATO might relegate to a secondary level Portugal's strategic importance in NATO, because the unity of military defense of the peninsula is feared and, consequently, our continentalization, with all the serious effects on our Atlantic location and vocation. It is obvious that important sensitive aspects are touched on here requiring a perfect knowledge and a thorough treatment of the factors involved, obviously difficult to achieve and explain.

Nevertheless, it may perhaps be possible to presume that, during the indispensable reevaluation of the overall strategic situation, our country would not fail to present the arguments of its interest, necessarily resulting from its own reevaluation, in the certainty that the final decision would always be made in accordance with the sacred principle of unanimity (that is to say, all have the right to veto) in effect in NATO.



It can also be pointed out that, in NATO's strategic sphere, national territory can be regarded, at present, as a real archipelago. All its parts are included in the Atlantic command, including the continent, whose "insular" characteristic results precisely from the geographic "vacuum" of Spain with regard to NATO.

It would be difficult for the nature of Portugal's contribution to cease being maritime and, now, perhaps more than ever, because actually we are more sea than land. Nevertheless, the vigorous revival of a past idea of Portuguese land affirmation in Europe may bring new factors to the overall evaluation of the peninsular and European strategy that it is advisable to know how to evaluate adequately and in time.

Perhaps it is not impertinent to point out that no one agrees to defend or participate in the defense of our interests without compensation. Likewise, we should not risk and commit resources without the coverage of a fair counterpart. This is an area in which we have generally placed more heart than reason.

It is very natural that Spain may rightly seek certain maritime command positions, not only because of a possible resolution of the dispute over Gibraltar, but also owing to the constantly increasing importance being taken on by the insular periphery in a southerly direction. From this point of view, the Canary Islands are also fundamental. But, even here, it does not seem that there can be a conflict of interests, because the physical and political geography, continental and insular, in a geostrategic area rich in different values to be defended, is going finally to dictate a just, effective strategic complementarity for those interests.

Nevertheless, it should not be forgotten that nations, like men, are evaluated and judged by the mark of their identity or personality and by the influence of their attitudes or acts. Only by valorizing their own potentialities and capabilities can nations and men assert themselves and pursue their objectives. Otherwise, both are usually looked upon with pity or disgust.

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## STUDY PROVIDES INSIGHT INTO EFFECTIVENESS OF MASS MEDIA

Lisbon DIARIO DE NOTICIAS in Portuguese 19 Jun 79 pp 17, 18

[Article by Mario Bacalhau: "The Mass Media and the Transformation of Portuguese Society"]

[Text] The mass media (newspapers, magazines, films, billboards, television and radio) have been used as a means of mobilizing Portuguese public opinion, in accordance with the goals of the ruling political groups. The daily observation of this conduct, accompanied by the battles among the various factions to control those varied media through ownership and shares in the management and processes of the broadcasting media, is sufficiently evident to enable one to dispense with any reference to historical events.

However, it is not so evident that the mass media have been put to effective use to transform Portuguese society in accordance with the proposals and ideas submitted by the revolution of 25 April, and the social, economic and cultural requirements which justified that same revolution. It is not that there has been a lack of abundant amounts of information, ideologies and new values. The lack of evidence concerning this innovative function involving the transfer of ideas, values and attitudes through the mass media is clear from the disinterest with which the ideological groups and managers treat the audience of the various media.

Communication is still considered a process from "top to bottom." And, based on the need for "mobilization," the headlines, pictures and even the content of the news are manipulated. In many instances, the audience of the various media responds with apathy, or even opposition to the introduction of new values and attitudes. Society, or the audience of the mass media, is, from this standpoint, viewed as a majority available for accepting all the strategies for winning and retaining power; a majority whose availability is inversely proportionate to the sociocultural underdevelopment.

The efficacy of the use of the mass media for innovation and social change is contingent on the position that is assigned to the audience of each of the media. The final recipient (listener, reader or televiewer) must be

the main concern, with his characteristics and needs. In calling attention to this point, we are not denying the importance attached to the content of the message, the features of the transmitting medium and its credibility. We are merely attempting to call attention to the importance of the audience of the various mass media, and its requirements in determining the content of the messages to be conveyed and in accepting the new values and attitudes.

In fact, what is really significant in the process of social innovation is the way in which the audience of the messages transmitted through the mass media perceives and accepts those messages, and not exclusively or predominantly the way in which the agents or sources of the transmissions perceive or accept them. The final goal of communication is only reached when it is perceived by the audience for which it is meant. And, for this purpose, in Rogers' opinion, it is necessary for five main qualities to be present, which determine the level of acceptance of a message; that is, the number of, and relative speed with which the members of a social system accept and adopt an innovation:

1. The relative advantage, that is, the reward or fulfilling of needs which results from the acceptance of the innovation (economic benefit, less effort, greater social betterment, etc.);
2. the compatibility, which consists of an awareness of the fact that the innovation does not run counter to the values, experience and needs of the end recipients;
3. the complexity: the greater it is, the more difficult it is for the innovation to be accepted;
4. the possibility of corroboration, or experimentation: the easier it is, the higher the level of acceptance will be;
5. the visibility, in the sense that the innovation is all the more readily accepted the more visible and observable its concrete effects are.

To be sure, there are other variables which affect the level of acceptance of innovations, in addition to these features; for example, the medium that is used (TV has a greater influence on the acceptance of some innovations than do other media), the features of the prevailing system, the intensity and unity of the efforts of the agents of social innovation, etc.

These superficial references to some aspects of the complex problems of the mass media warrant the presentation of certain data on the number of individuals who comprise the audience of the various Portuguese mass media, and their leading demographic and sociocultural features, an understanding of which is necessary for increasing the efficiency of their utilization. The data that are presented were prepared from the "General Study of Media" made by NORMA in December 1978, which that company repeats every year. And they only summarize some aspects of the extremely abundant information that is available (on audience per day of the week, daily half-hour intervals, frequency of contact, duplication among media and within the same medium, etc.).

# Audience for Newspapers, Magazines, TV and Radio

## By Region

The percentage of the population which reads newspapers and magazines in Greater Lisbon and Greater Porto is considerably larger than in the other regions.

Table 1

	(1) Meio	(7) Grande Lisboa	(8) Grande Porto	(9) Litoral	(10) Interior Norte	(11) Interior Sul
(2) Base em milhares ...		1335	682	2569	1248	956
(3) JORNAIS .....		64	61	32	25	34
(4) REVISTAS .....		46	30	23	17	29
(5) TELEVISAO .....		100	99	100	99	100
(6) RADIO .....		98	100	99	100	100

## Key:

1. Medium
2. Base in thousands
3. Newspapers
4. Magazines
5. Television
6. Radio
7. Greater Lisbon
8. Greater Porto
9. Coast
10. Northern interior
11. Southern interior

# By Socioeconomic Class

The percentage of the population from the middle-upper, upper and upper-middle classes which reads newspapers and magazines is more than double the same percentages in the lower-middle and lower classes.

Table 2

(1) Meio	(7) Classe Alta/Mé dia Alta	(8) Classe Média Su- perior	(9) Classe Média Inferior	(10) Classe Baixa
(2) Base em milhares ...	689	1671	2432	1908
(3) JORNAIS .....	78	63	35	14
(4) REVISTAS .....	62	43	23	10
(5) TELEVISAO .....	100	100	100	100
(6) RADIO .....	99	100	99	100

## Key:

1. Medium
2. Base in thousands
3. Newspapers
4. Magazines
5. Television
6. Radio
7. Upper and middle-upper class
8. Upper middle class
9. Lower middle class
10. Lower class

# Based on Educational Level

In addition to the fact that nearly 35 percent of the Portuguese over the age of 15 years is lacking in complete elementary schooling, only 11 and 7 percent of them read newspapers and magazines, respectively; while those who have a university education read mainly newspapers (97 percent) and magazines (61 percent).

Table 3

(1) Meio	(7) Univer- sitária	(8) 7.º ano Equivale- nte	(9) 8.º ano Equivale- nte	(10) Primária completa	(11) Primária Incomple- ta (Nula)
(2) Base em milhares ...	151	385	577	3322	2356
(3) JORNAIS .....	97	88	78	48	11
(4) REVISTAS .....	61	66	63	31	7
(5) TELEVISAO .....	99	100	100	100	98
(6) RADIO .....	69	100	100	100	99

## Key:

1. Medium
2. Base in thousands
3. Newspapers
4. Magazines
5. Television
6. Radio
7. University level
8. Equivalent of seventh grade
9. Equivalent of fifth grade
10. Complete elementary schooling
11. Incomplete elementary schooling (none)



## By Age

The population in the oldest age groups has far less contact with newspapers and magazines than do the younger groups. Only 17 and 7 percent of the group of individuals over 64 years of age read newspapers and magazines, respectively.

Table 4

(1) <i>Meio</i>	(7) Age 24 and under	(8) 25 to 34 years	(9) 35 to 44 years	(10) 45 to 54 years	(11) 55 to 64 years	(12) 65 and over
	Age 24 and under	25 to 34 years	35 to 44 years	45 to 54 years	55 to 64 years	65 and over
(2) Base em milhares ...	151	1245	1111	1087	887	937
	%	%	%	%	%	%
(3) JORNAIS .....	50	51	43	40	29	17
(4) REVISTAS .....	49	38	28	17	16	7
(5) TELEVISAO .....	100	100	99	99	100	99
(6) RADIO .....	100	100	98	100	100	99

## Key:

1. Medium
2. Base in thousands
3. Newspapers
4. Magazines
5. Television
6. Radio
7. Up to age 24
8. Age 25-34 years
9. Age 35-44 years
10. Age 45-54 years
11. Age 55-64 years
12. Over age 64

## By Sex

Probably because of the features of the majority of magazines currently being published, a larger percentage of women read magazines (34 percent) than men (20 percent). Insofar as newspapers are concerned, however, the percentage of men who read them (56 percent) is considerably larger than the percentage of women (27 percent).

Table 5

(1) Medium	(7) Men	(8) Women
(2) Base em milhares .....	3062	3728
	%	%
(3) JORNAIS .....	56	27
(4) REVISTAS .....	20	34
(5) TELEVISAO .....	99	99
(6) RADIO .....	100	99

## Key:

1. Medium
2. Base in thousands
3. Newspapers
4. Magazines
5. Television
6. Radio
7. Men
8. Women

The number of individuals who read newspapers and magazines, watch television and listen to the radio is not the same in all regions, socioeconomic classes, ages, levels of schooling and sexes. In other words, there are media with a larger number of recipients of their messages than others have: 40 percent of Portuguese read newspapers, and 28 percent read magazines; 99 percent watch television, and 99 percent listen to radio. The possibility of making contact with a message depends on the frequency of the contact with

the media and backers, whether daily or at other intervals. For example, the number of individuals listening to radio daily (4,790) is lower than the number viewing television in the same interval (5,890), and in each of these media it is different at different times of day.

The variations in contact with the mass media are, however, equally significant among the various regions, age groups, socioeconomic classes, levels of schooling and sexes. The variations among readers of newspapers and magazines are particularly significant. Insofar as television and radio are concerned, the differences in audience are especially evident when the figures on greater frequency of contact are analyzed.

2909

CSO: 3101

## SANITATION: A FESTERING SOCIAL, POLITICAL SORE

Lisbon EXPRESSO in Portuguese 19 May 79 pp 6-R, 7-R

[Article by Daniel Amaral: "Basic Sanitation: A Mirror (With Several Sides) of an Unjust Society"]

[Text] The "per capita" income in Portugal reportedly does not exceed about \$1,500 at present. It is nearly a fifth the average income in the United States, Denmark, Germany, Norway, Sweden or Switzerland. It is close to a quarter of the total reached in such countries as France, Belgium, Australia or Luxembourg. But, despite everything, it may possibly exceed the analogous indicator attained in Turkey.

The rate of access to higher education in Portugal reportedly does not exceed a 10 percent index in the pertinent age groups. It is a fifth the index for Canada, a quarter of those for the United States, Norway or Austria, and nearly a third of those for France or neighboring Spain.

In Portugal, despite the housing shortage publicized by EXPRESSO recently, dwellings are being built at an annual rate of five per 1,000 inhabitants. This is nearly a third the average construction in Finland or Japan, and about half the average construction in Norway, Sweden, Iceland or Spain itself; and yet it may slightly exceed the average construction in Turkey.

The consumption of animal protein in Portugal is reportedly about 40 grams per inhabitant daily. But when we observe other countries, from Spain to Denmark, Finland to Australia and Belgium to the United States, none of them has a lower consumption.

And the conclusions are always identical, regardless of which indicators are compared: electric power consumption, or the number of telephones, television sets or cars. Either Turkey ranks after us, or no one does! We rank first (unfortunately) on only one indicator, that of infant mortality. In Portugal, nearly 40 children out of every 1,000 born still die during the first year of life, whereas this index does not exceed eight in Sweden, and 10 in Switzerland, Norway, Denmark, Finland or Japan.

We recalled these figures a few days ago, when we consulted the MHOP [Ministry of Housing and Public Works] study on basic sanitation in Portugal. The

situation which that study reveals is so bad, so shocking and so tragic that people are horrified by merely reading it. But, in fact, the reader who, like ourselves, takes note of these figures, cannot avoid this discouraging, frustrating comment: If it is like that everywhere, why can't it be so here?

### Piped Water a "Luxury" for Only Half of the Country

But these figures have at least one virtue: They expose the deficient situations and, if they are made public, as is the case, they cannot help but become an element for pressure on the political powers. Those political powers which are discussed so much among the people could at least learn the lessons from these figures and, through the figures, halt the countless shortages affecting the people....

As we know, the control of what in technical language is usually called "basic sanitation" involves three major areas: the drinking water supply, drainage and the purification of waste water (sewage system) and, finally, the treatment and final destination of garbage. On the basis of the aforementioned study, we shall now concern ourselves with these three areas.

According to the First Housing Census taken in 1970 by the INE [National Statistics Institute], there were in that year 2.2 million family housing units on the continent, nearly 1 million of which (47 percent) had a residential water supply, coming either from public piping (36 percent) or from private piping (11 percent). The remaining 53 percent of the housing units did not have any residential supply. A distinction may be made here between the units which had water piped for up to 100 meters (35 percent), and those which did not have that "facility" (18 percent).

As we have said, this was in 1970. But, after 7 years have elapsed, it can be claimed that the situation has improved little. There is Graph I to attest to it: In 1977, only 52 percent of the family housing units had any kind of plumbing, public or private; and the remaining 48 percent were dissociated from any kind of system. And when, with an extrapolation that is easy to make, we say that the situation nowadays is not any better, we are faced with a rather bitter libelous charge: Five years after the revolution, a revolution which, as we all know, was supposedly made to correct the most glaring inequalities; 5 years later, in this country of poets and red carnations, to have piped water is still a luxury within the reach of only half the country! What do the politicians and rulers who have planned the economy have to say about this?

But that index is obviously an average index. If we intensify the analysis on the district level, and consider the north or the tramontane northeast, we shall find appalling figures, just like those recorded in 1970: For example, Vila Real and Viseu do not have piped water in over 19 percent of their dwellings; and the respective indicator is always under 30 percent in districts such as Guarda, Braganca, Braga or Viana do Castelo. In contrast,

the same index exceeds 80 percent in Lisbon, and 70 percent in Setubal. Whether he lives in Lisbon or in a province, the reader should pause at this point and look for a minute at Graph II: that rectangle representing Portugal is facing a mirror which reflects the image of an unjust society.

Leaving behind the district viewpoint, and focusing on the urban groupings (unified complexes with over 2,000 inhabitants), so as to use the data from a survey of basic sanitation conditions conducted from June 1973 to June 1974 by Hidroprojecto, we find that the situation has improved slightly; because it is, of course, the smaller complexes which have more shortages, as a rule. Thus, in accordance with the aforementioned survey (Table I), 272 groupings were considered, and only 50 (18 percent) of them did not have a water supply, an indicator which is obviously better than the national average. If we observe this table, we shall also find that the situation becomes better the larger the urban grouping in question: For example, in 57 groupings with over 10,000 inhabitants only two (3.5 percent) lacked a water system.

And if such an analysis is made of the municipal systems (Table II), the situation is even more favorable than that noted for the urban groupings; because of 274 municipalities that were observed, only four (less than 1.5 percent) were without piped water. This fact is explained by three reasons: the old age of the settlements, their administrative importance and, in some instances, their type of settlement (generally crowded), thus facilitating the installation of basic sanitation systems.

#### Sewers: Another "Luxury" for Only 60 Percent of All of Us

Another problem is associated with that of water supply, at times, with similar dimensions: that of the sewage system.

Returning to the First Housing Census, we find that, in 1970, only 57 percent of the housing existing in Portugal had private sewers (more specifically, 29 percent had public sewers, 17 percent had septic tanks and 11 percent had disposal of another type); while the remaining 43 percent did not have any sewage system. Seven years later, that is, in 1977, the situation had changed only slightly, since the number of dwellings without sewage systems reached 39 percent. And since here too it cannot be said that any significant changes have taken place during the past 2 years, we have another equally distressing image reflected in this mirror of many faces: Five years after April, two fifths of the Portuguese population did not have the most elementary sanitary conditions for living! Another decrival of those who, up until the present, either in the distant or recent past, have been responsible for the government of this country.

Of course, here too, the numbers vary greatly from one district to another on the continent. For example, while districts such as Lisbon, Porto, Braga and Aveiro had dwellings in 1970 wherein the percentage of private sewers amounted to about 80 percent or more, in other districts, such as Braganca,



Garrafeira or Beira, the percentage as of the same date did not amount to 20 percent. At this point, the reader is urged to make another pause and look at Graph III: Part of Alentejo, nearly all of Beira Lata and the tramontane northeast constitute, in this respect, the most deeply unjust image of an inequitable society that has been maintained over the years.

Now referring to the 1973-74 survey, which analyzed the urban groupings and municipal centers, we find that, just as in the case of piped water, and for the very same reasons, the indicators are more favorable. Strangely enough, however, the differences are slighter. For example, whereas in the urban groupings only 18 percent lacked a water system, the percentage rose to 32 percent in the case of those without sewers (Table I). The same conclusion may be drawn from the analysis of the municipalities: The percentage of centers without water and without sewers is 1.5 and 23 percent, respectively (Table II).

#### Garbage Collection: In a Dump

The third point to be considered in basic sanitation is, as we have said, the collection and processing of garbage.

In this regard, the information in the MHOPI study is extremely brief, quoting only the survey of 1973-74 that has already been mentioned and an analysis based on municipalities. According to this information, at that time there was garbage collection in 135 of the 274 municipal centers analyzed (86 percent), with variable regularity. However, although it was not possible at the time to learn about the population that was being served, it may be said that only 113 municipalities (under 50 percent) had guaranteed collection 6 days a week.

To supplement this, it might also be said that the final destination of the garbage was basically dumps or sewers. Nine municipalities had sanitary land fill, and only four had treatment facilities. In short, and without being sarcastic, it may perhaps be claimed that garbage collection in Portugal consists of a dump.

#### The Need for Medium-Term Planning

The analysis that we have made is a numerical, quantitative analysis. It involved ascertaining how many systems existed or did not exist (for water supply, in the sewage network and in garbage treatment). But the analysis could be qualitative as well, and we can say in advance that, unfortunately, the results are no better.

As of the date of the 1973-74 survey, there were on the Portuguese continent 1.06 million residential hookups (about 12,000 per system, on the average), and another 4,000 plumbing systems, the latter mainly among the small population groups. But, insofar as the status of their operation was concerned, only 34 percent could be rated as "good," nearly half (48 percent) were

"fair" and the remaining 18 percent were "poor." Moreover, it seems clear that the inspection of the quality of the water supplied should be carried out with the proper regularity, and by qualified personnel, which has not been the case. Based on the survey, the frequency of the collection of water samples in 58 percent of the municipalities was less than once a week.

Also in connection with water consumption, it is useful to analyze the average "per capita" consumption in districts (Graph IV). As may be noted, in 1977 the average was 26 cubic meters per inhabitant per year. Only three districts had an average better than this: Lisbon, Setubal and Faro. Several districts had shockingly low levels: Aveiro, Braga, Braganca, Guarda, Viana do Castelo, Vila Real and Viseu.

Insofar as the quality of the sewers is concerned, the situation is even worse than in the case of the water systems. In 1973-74, only 11 percent were "good," 19 percent were "fair" and the remaining 70 percent were "bad." Not only was there an insufficient number, but poor quality to boot.

This MHOZ study (and we shall stress a criticism that we have already made in similar situations), like the others, has a large gap: It does not make comparisons on the international level. We were all more or less aware of the fact that the basic sanitation situation in Portugal was chaotic, and the study merely confirmed this. But in order to make a satisfactory assessment of the tragedy in this area (and others) which the Portuguese people are experiencing, it would really be ideal to make a comparison with other countries. However, we admit such a study would not be at all easy, in view of the lack of information. We attempted to fill this gap on our own, inquiring in various locations about the existence of international indicators; and we were unsuccessful.

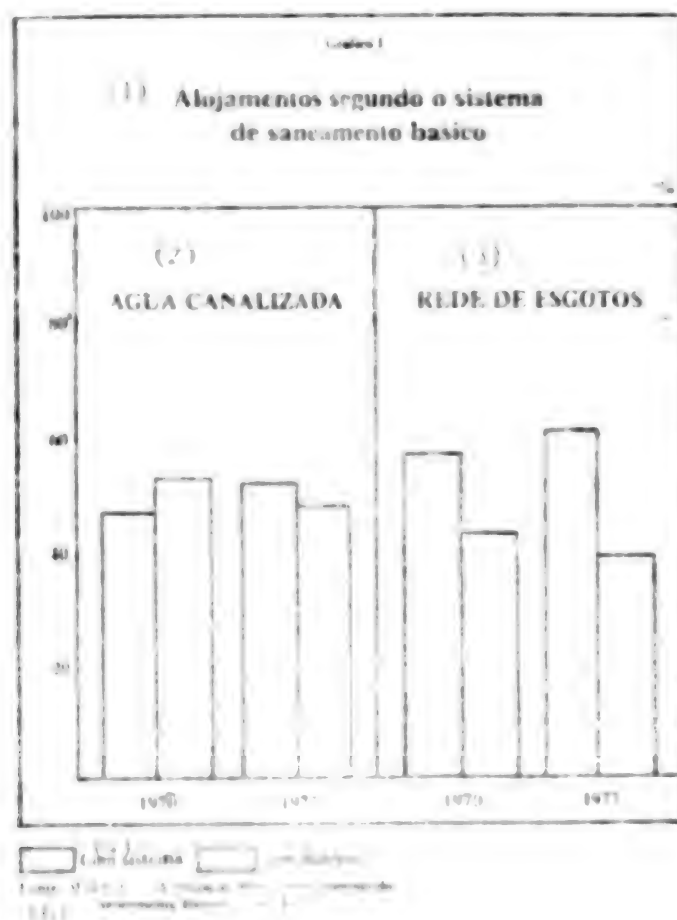
The report that we have analyzed begins with an "Introductory Note," and, at the outset, contained an implied criticism: "Throughout the first half of 1978, the preparatory work for the medium-term plan was continued more than once; however, its progress was hampered by the subsequent political evolution." Later, at the end, in a discussion of the problem of the factors affecting the activity of the sector, it maintains this implied criticism, emphasizing one of them: "The lack of regional and municipal planning, reflected in the fact that certain projects could not be included in future schemes for overall planning, and this point does not appear to have been considered when the respective projects were devised."

This topic of planning seems to us to be a good one with which to conclude. The present status of Portuguese basic sanitation is essentially a reflection of the disastrous policy of Salazar and Caetano. It was they who, although bequeathing a great deal of gold to us, which was not always used in the best way, also left this country economically and socially situated at the tail end of Western Europe. There is not the slightest excuse for them, and we shall not be the ones to provide it. But it is a fact that

5 years have elapsed, and nothing has improved in this area; and it is in this respect, indeed, that the blame belongs to the present-day politicians, for not having been capable of shifting the model from the past in the economic realm, for not having been capable of correcting the countless situations in the social realm involving shortcomings bequeathed by that past, in short, for not having been capable of devising a plan related to an eventual alternative for development, and of implementing it. We have always had promises, countless promises; and we continue to have them; mountains of promises, of promises from all sides, from all people. But policy must be made with actions, actions which in some instances have never occurred.

That is the case. It is with actions that competency is gaged, and incompetency as well....

Graph I



Key:

1. Dwellings according to the basic sanitation system
2. Piped water
3. Sewage system
4. With a system
5. Without a system

6. Source: MBH, "The Social Situation in the Area of Basic Sanitation," No. 4/78.

Graph 11



Key:

1 Dwellings without a residential water supply system by districts (1970)

2. 15% to 40%

3. 40% to 60%

4. 60% to 70%

5. 70% to 80%

6. Over 80%

7. Source: MHOP, "The Recent Situation in the Area of Basic Sanitation,"

No 4/78.

Graph III

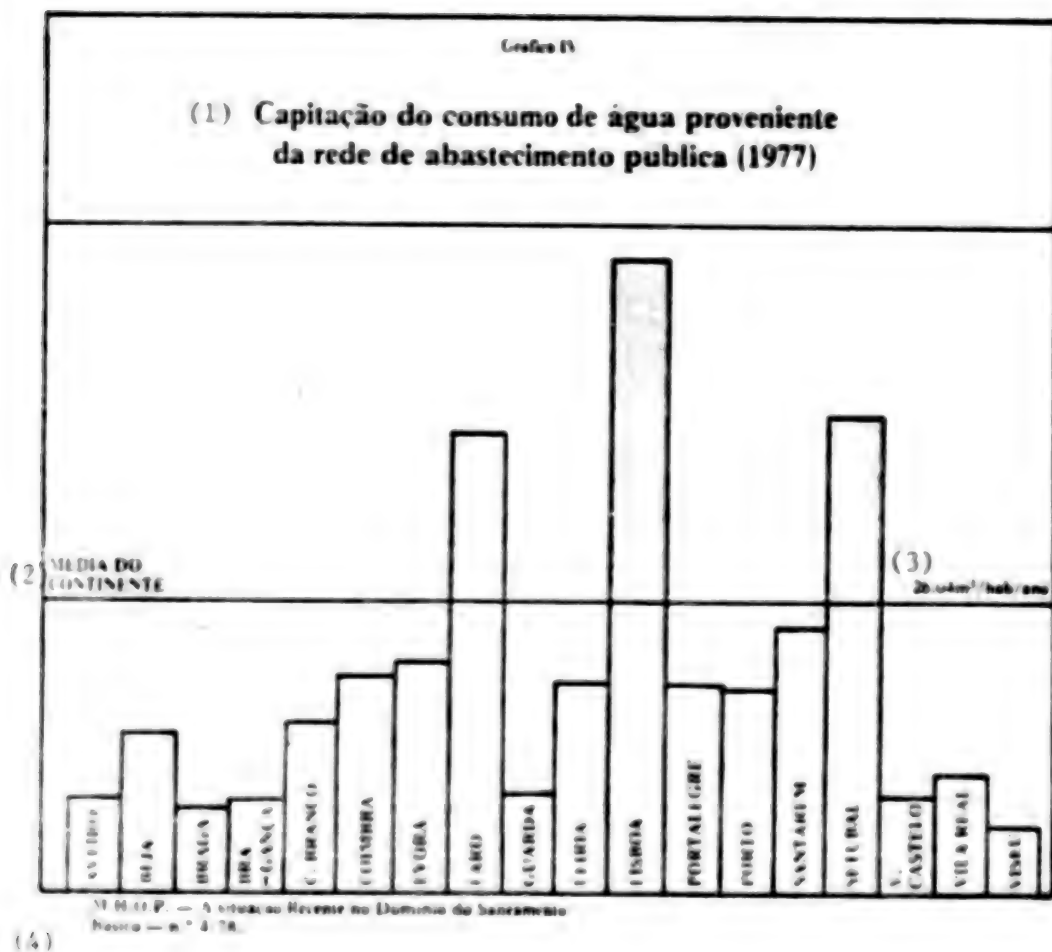


Key:

1. Dwellings without a sewage system in the districts (1970)
2. Under 49%
3. 50% to 59%
4. 60% to 69%
5. 70% to 79%
6. 80% or more

7. Source: MHOP, "The Recent Situation in the Area of Basic Sanitation," No 4/78.

Graph IV



Key:

1. Per capita consumption of water from the public supply system (1977)
2. Average on the continent
3. 26.04 cubic meters per inhabitant per year
4. Source: M.H.O.P., "The Recent Situation in the Area of Basic Sanitation," N.º 4/78.



Table 1

QUADRO 1

(1) SITUAÇÃO DOS AGRUPAMENTOS URBANOS QUANTO AOS SISTEMAS DE SANEAMENTO BÁSICO				
(3) Descrição		(4) TOTAL DOS AGRUPAMENTOS	(5) DE 2.000 A 5.000 HABIT	(6) DE 5.000 A 10.000 HABIT
(8) Água	Com sistema (a) (10)	222	127	40
	Sem sistema (11)	50	42	6
	TOTAL DOS AGRUPAMENTOS	272	169	46
(9) Esgoto	Com sistema (b) (12)	184	96	36
	Sem sistema (11)	88	73	10
	TOTAL DOS AGRUPAMENTOS	272	169	46

13(a) - Excluindo fontanários autônomos.

13(b) - Excluindo fossas sépticas.

15. PONTE: Inquérito as Condições de Saneamento Básico do País, 15) de 1973/74, citado no estudo n.º 4-78, do M.H.O.P.

## Key:

1. Status of the urban groupings with regard to basic sanitation systems
2. Continent
3. Breakdown
4. Total groupings
5. With 2,000 to 5,000 inhabitants
6. With 5,000 to 10,000 inhabitants
7. With over 10,000 inhabitants
8. Water
9. Sewage
10. With a system (a)
11. Without a system
12. With a system (b)
13. Excluding independent plumbing
14. Excluding septic tanks
15. Source: 1973-74 Survey on Basic Sanitation Conditions in the Country, quoted in Study No 4/78 of the MHOP.

Table 11

## QUADRO II

(1) SITUAÇÃO DAS SEDES DE CONCELHO QUANTO AOS SISTEMAS DE SANEAMENTO BÁSICO — 1973/74 —					
(3) Classificação	(4) ÁGUA		(6) TOTAL DAS SEDES DE CONCELHO	(5) ESGOTO	
	(7) Com sistema (a)	(8) Sem sistema		(9) Com sistema (a)	(10) Sem sistema
(11) Com menos de 2000 habitantes	114	2	116	68	48
(11) Com mais de 2000 habitantes	156	2	158	144	14
(12) TOTAL	270	4	274	212	62

1. (a) — Excluindo instalações autônomas

1. (b) — Excluindo fossas sépticas

Fonte: Inquérito às Condições de Saneamento Básico do País de 1973-74, citado no capítulo 4-78, do

(15) MHO P

## Key:

1. Status of the municipal centers with regard to basic sanitation systems, 1973-74
2. Continent
3. Breakdown
4. Water
5. Sewage
6. Total municipal centers
7. With a system (a)
8. Without a system
9. With a system (b)
10. With under 2,000 inhabitants
11. With over 2,000 inhabitants
12. Total
13. Excluding independent plumbing
14. Excluding septic tanks
15. Source: 1973-74 Survey on Basic Sanitation Conditions in the Country, cited in Study No 4/78 of the MHOP.

2909

CSD: 3101

## MADRID SOCIALIST FEDERATION FACTIONS BATTLE FOR CONTROL

Madrid EL PAIS in Spanish 22 Jul 79 p 12

[Text] The "critical" bloc gained an initial victory yesterday in the assembly of the Madrid Spanish Socialist Workers Party (PSOE) when its position paper received the largest number of votes as the basic text for debate. The assembly's vote marked the existence of three blocs, as had been expected. In view of what had happened, the moderates tried a strategy of presenting amendments to the leftist position paper while its supporters negotiated for the support of the group of Alonso Puerta, converted into the arbiter of the situation.

The session opened with the election of the president of the assembly, which seemed to mark a keynote favorable to the moderate bloc when its candidate, Mr Lopez del Real, was elected. The next item was the selection of a position paper as the basic text for debate, "and at this point the atmosphere began to heat up, not only as a result of the debates but because of the tremendous heat," according to sources that informed EL PAIS about the proceedings of this assembly, held behind closed doors.

Before the selection of a position paper the floor was opened for a period of speeches. Thirteen persons signed up for that period, 3 of them in favor of the "59 theses" defended by the moderate bloc and the other 10 opposed to that position paper and in favor of those of Alonso Puerta, of the "critical" sector or of the former members of the Spanish Socialist Party (PSP), according to the speaker who had the floor. As is known, the "exploratory contacts" held prior to the meeting had not produced agreements to support a single text by more than one bloc and each one maintained its own up to the end, for which reason the initial vote in the assembly of the federation was indicative of the existing relationship of forces.

Three of the position papers were put to a vote--the one of the former members of the PSP was withdrawn at the last minute, as were the texts presented individually by some groups--with the following results:

"critical" position paper, 68 votes; "59 theses," 65 votes; and the so-called "third way" (Alonso Puerto), 51 votes. The latter, however, achieved better results than expected; the "59 theses" did not come up to the predictions of that bloc; and the "critical" one achieved exactly what had been announced.

The session was then suspended for lunch, a time that was utilized by the representatives of the various blocs to negotiate mutual support. According to the tendency that had already been manifested earlier, the Alonso Puerto and "critical" bloc groups agreed to support one another in exchange for certain concessions to the one that approached the final text to his own, on the basis of supporting the structure and main lines of the "critical" position paper.

After the session was resumed, the moderates presented an amendment to all of the first part of the "critical" text--which deals with the ideological problem--proposing that it be replaced by its first nine theses.

The chairman of the committee, Carlos Revilla--connected with the Alonso Puerto group--arose to request some changes in the ideological portion of the basic text; speaking for the "critical" bloc, Enrique del Moral expressed his approbation of these nuances and 2 blocs emerged in the voting, with 102 votes in favor of the text negotiated by the Puerto and "critical" bloc groups and 73 against.

At the deadline for this edition, the session was still in progress with the same keynote of the presentation of amendments to the whole text by the moderates.

#### Two Months from the Special Congress

The intense political battle that is being waged in the Madrid Socialist Federation has a symbolic value not only because of the number of members it embraces but because of the participation of the main party personalities in it, directly or through intermediaries only 2 months before the Special Congress.

For several weeks, Felipe Gonzalez has been conducting a dedicated effort of restoring influence over the PSOE federations. Quite contrary to what he had done in the months prior to the 28th congress, the former secretary general has been touring Spain in a manner similar to the election campaigns of June 1977 and February 1979, with the difference that now he is concentrating all of his attention on the members of the party. In the meantime, Alfonso Guerra, more silent than ever, digests the bombardment of criticism against himself from the discreet political position he now holds, without failing to attend to the representation of the PSOE in matters of importance for that party.

The three lines of the Madrid PSOE are fighting for their place in the sun "from house to house and district to district (popular associations and groups are the basic units of the Socialist organization). A fierce struggle preceded today's assembly and it is obvious that not only ideological questions are being aired in it. the PSOE as a whole believes that, along with the matter of Marxism or no Marxism, what is at stake is the political strategy of the party: if it should derail its effort to attain the government, if it is interested in the unity of the left, or if it should decide in favor of that complicated route that "political autonomy" represents. The type of party organization is also being aired: a system of cadres, a mass party and a more or less centralized organization or more or less autonomy. Above the whole thing and as a superstructure that will guarantee one option or the other, the problem of the persons who should occupy the leadership is the foremost preoccupation.

### Principal Differences

The moderate bloc, which proclaims itself to be close to Felipe Gonzalez, favors a party in which Marxists, Christians, humanists and libertarians will be fully integrated, and supports the plan to build up a majority of citizens--with different names: class bloc, social majority, etc--capable of gaining victory in elections and guaranteeing the domination of the PSOE. At the same time it poses the need for flexible positions on the policy of alliances; it does not speak against the municipal pact of the left but at the same time, it does not say anything in its defense, and it is generally suspected that it is closer to forming a possible coalition with the Democratic Center Union (UCD) than to building the unity of the left.

The Marxist line has moderated its initial radical positions somewhat and instead of supporting the political position of the 28th congress has opted for softening the language on many points. Without denying the possibility of a coalition with the UCD, that sector circumscribes it strictly to a case of real danger to democracy and establishes precautions in the event that that measure is required. In the ideological area, its Marxist proclamation is less direct than in the previous congress.

At the same time, that sector prefers to direct its normal policy of alliances toward an understanding with the left and puts stress on insuring the autonomy of the party organizations, including the one that pertains to the administration of funds. "At the present time, there is only one organization in that situation, the Socialist Party of Catalonia; and to speak of autonomy in the rest of the federations without resolving economic autonomy can only be deceptive," declared Luis Gomez Llorente.

There are some of the basic problems under discussion. Added to them are personal problems and problems of political influence of a very diverse nature such as the specific case of Madrid, in which the confrontation of the "19 theses" (moderates) and the Alonso Puerta sector has its origin not only in shades of ideology and strategy but in a struggle set some time ago for control of the Madrid organization, a subject that has its ramifications in the union and municipal areas.

## ANDALUSIAN SOCIALISTS SETTLE MARXIST DEBATE

Madrid YA in Spanish 21 Jul 79 p 11

[Text] Seville--The position paper that the Seville Spanish Socialist Workers Party (PSOE) will present to the special assembly today and tomorrow, Saturday and Sunday, for debate and later to be submitted to the federal congress in September, has been released to the news media.

The document has been prepared by a group of Socialist intellectuals of all Andalusian provinces, except Almeria, which is preparing a separate position paper, although not contradictory to the one from Seville, which means that the Almeria socialists, like those of the rest of Andalusia could accept the Seville position paper, the text of which represents the judgment of 80 percent of the Socialist membership, according to party sources, based on the fact that the "yes" or "no" controversy about Marxism, "which was a false debate," has been superseded.

"The two courses that are open to the party," said the secretary general of the FSA-PSOE, Rodriguez de la Borbolla, "are: either to bring together the popular forces that will guarantee the hegemony of the party or to be for the party to unify the left. We are for the former of the two options."

Rodriguez de la Borbolla pointed out that "only in the event of danger to democracy would the PSOE agree to become part of a coalition government, ever more distant in view of what the approval of the Basque statute and the General Union of Workers-Spanish Confederation of Business Organizations (UGT-CCOO) presupposes."

The immediate objectives which the position paper indicates are:

- 1--To consolidate democracy;
- 2--To give impetus to a social, economic and cultural policy that will facilitate the social changes that large sectors of our society demand;
- 3--To commit and involve in its political plan ever broader popular sectors, the only way to succeed in attaining the government democratically.



## ARMY INVOLVED IN OIL CONSERVATION EFFORT

## Wood To Replace Oil

Stockholm SVENSKA DAGBLADET in Swedish 12 Jul 79 p 1

[Text] On October 1 heating with oil will end at 25 of Sweden's regiments and naval stations. Wood will then replace 30 percent of the oil used in the defense system.

The Board of Economic Defense (OEF) has asked the government to appropriate 12 million kronor for this purpose, since heating with wood requires new equipment. For continuous operation 5 men rather than 2-3 are required at the central heating installations. In addition, wood is more expensive than oil--about 111 kronor for the quantity of wood equal to a cubic meter of oil. Oil today costs 900 kronor per cubic meter.

The boilers of the defense establishment have been convertible since the mid-50's, that is, it is possible to heat with both oil and wood. No other establishment in Sweden has the same potential. If the effort goes well, OEF is considering proposing heating by wood throughout the entire defense system in 1980/81. Thirty-six thousand cubic meters of an annual use of 130,000 cubic meters of oil used annually will now be saved. This requires 287,000 cubic meters of wood, which will be hard to obtain. There is a shortage of timber in Sweden at present.

## Large Maneuvers Postponed

Stockholm SVENSKA DAGBLADET in Swedish 13 Jul 79 p 4

[Article by Erik Liden]

[Text] About 20,000 reserve troops will, according to plans, report to their units in September. The chief of the army, Nils Skold, will not go along with any curtailment of maneuvers despite the shortage of gasoline and fuel.

Col Lennart Tollerz, who is chief of the training section of the army staff, informed SVENSKA DAGBLADET, "We realize that there can be some problems this fall, since the government has stipulated that the consumption of fuel is to be reduced 10 percent during the second half of the year. As a result, no extra vehicles can be used. If possible, terrain vehicles will be replaced with standard vehicles, and maneuvers will be conducted as near as possible to the regiment's training sites.

"This can result in larger, common maneuvers' being limited and long distant transportation to firing ranges being eliminated. Larger exercises connected with basic training can be postponed to 1980, but this is unfortunate since the efforts to conserve fuel will probably continue next year.

"An emergency solution is to curtail maneuvers for reserve troops and not call them up, but we have already rejected that. After difficulties with maneuvers for the reserves for several years, we simply now must show our capabilities."

Colonel Tollerz also pointed out that the experience from the energy crisis of 1973/74 will be valuable, even if many of the measures taken then have become permanent.

6893

CSO: 3109

## SVENSKA PETROLEUM EXPERIENCES DRAMATIC GROWTH

Stockholm SVENSKA DAGBLADET in Swedish 13 Jul 79 p 20

[Article by Sture Soderlund]

[Text] The state corporation, Svenska Petroleum (SP) is becoming a strong factor in the Swedish oil supply. In half a year the company has increased its activity dramatically from practically nothing.

"We are not engaged in a struggle for a share of the market," Managing Director Sture Agvald says. "It is a matter of insuring the delivery of oil to Sweden."

SP is only 3 years old, relatively unknown to the public and not particularly significant in the oil market until a few months ago.

When Nynas, Shell and Esso cancelled their contracts for residential heating oil with their big customers, SP appeared like a saving angel and obtained oil at reasonable prices for communities, provincial governments, state authorities and private businessmen in dire straits.

Paradoxically, the shortage of oil permitted a dramatic expansion of SP.

#### Possibilities

The explanation is simple. SP had obtained adequate supplies of oil. The company had contracts and other possibilities for obtaining more oil than needed for its own customers when the crisis intensified at the beginning of the year.

The volume of orders increased dramatically in half a year.

An example; in 1978 SP had only one municipality as a customer. At the turn of the year the number had increased to 25, and today the company has about 50 municipalities on its order books.

"It is a seller's market today", says Managing Director (VD) Sture Agvald. "I could actually sell an unlimited amount of oil, if I could only obtain it."

SP has now reached its ceiling. The company cannot accept any more customers. Yet.

"We shall see what the situation is in a few weeks," Sture Agvald says. "We are negotiating new contracts."

SP is a state corporation, but it does not purchase any oil with tax money, if anyone thought that. SP operates on a commercial basis and must conduct its business like all other companies in this sector. This is how the government's proposition of April 1978 reads:

"Svenska Petroleum shall promote a more secure supply of crude oil and thereby an increased supply security for all petroleum products. The company shall operate on commercial principles, and in competition and cooperation with other oil companies."

"But it is no disadvantage to be a state corporation," Sture Agvald says. "It is often easier to negotiate with the producing nations."

#### A Free Market

SP has been accused by a number of multinational companies of being the Swedish Government's instrument for socializing the oil market in Sweden, but so far SP has not sold a drop of subsidized oil. And Sture Agvald himself does not favor nationalizing the oil business.

"There are a number of companies in Sweden who have performed very well over the years in the free market. There is no reason for the state's taking over this business. SP's most important task is to insure deliveries to Sweden and to help companies with oil when spot prices go sky-high or when the companies are subject to a stoppage of deliveries for other reasons.

Nevertheless, the statistics of SP show that with each day it has a greater share of the market. In April the company had 4-5 percent of the Swedish market for petroleum products. In July the figure was 7 percent and towards the end of the year the figure will probably be double-digit.

"I believe that SP will stabilize somewhere around 10-15 percent," says Sture Agvald. "That is a reasonable level. Then the company can be in continuous contact with the market and fulfill its function as the advisory organ of the government."

#### Grown Fast

Svenska Petroleum has grown fast. First of all, a couple of so-called boosts laid the basis for its current accelerated position in the Swedish oil supply situation.

The first was the so-called NOCO (Norwegian Oil consortium A/S) agreement.

SP borrowed \$100 million from the state and then loaned it to NOCO. For the loan SP obtains interest on the money in the form of a royalty on NOCO's income from two large oil fields and today about 200,000 tons of crude oil at Norwegian market prices. When the Valhalla field begins producing in the 1980's, SP expects yearly deliveries up to one million tons of crude oil.

The other so-called boost--or rather decisive decision--occured at the beginning of last summer. Sture Agvald and his colleagues in SP decided to stop buying finished petroleum products and only to deal in crude oil and be responsible themselves for its refinement.

The decision was made just before prices on the so-called spot market shot sky high and directly or indirectly brought about the current oil crisis. SP can obtain contract oil at more or less fixed prices and is able, thanks to that decision, to meet current need without record high purchases on the spot market.

#### BP Agreement

The next big deal occurred in June of this year, for whatever it may provide. SP reached a preliminary agreement with BP to purchase 20 percent of the company's refinery in Goteborg and 22 percent of BP's storage and distribution facilities in Sweden. Previously, SP rented comparable space in the Goteborg refinery and cooperated with BP in various ways.

Today SP buys crude oil from Iraq, Iran and the North Sea, and in addition obtains significant quantities by special agreements with BP. SP sells residential heating oil, and heavy heating oil to municipalities, provincial governments, public authorities of various kinds, businesses and small oil companies.

Heating oil is also distributed directly to 25,000 west Swedish homeowners through the recently purchased distributing firm VISAB, located in Goteborg. Business in gasoline is limited. In general SP exchanges cargos of gasoline for light and heavy heating oil.

#### Expanding

SP's role in oil prospecting is also in the process of expanding. A new basic organization, Svenska Petroleum Exploration AB, was formed in January of this year. SP Exploration has an interest in petroleum extraction in a number of places around the world.

One does not yet know what the results will be. The most interesting one at present is the so-called Block 2/9 in the North Sea, where SP has a 10 percent interest as a result of the NOCO agreement.

SP needs more people and money this fall. Sture Agvald hopes that the state will quickly provide the capital to finance the doubled business.

"Everything has gone so fast", Sture Agvald says. "But do not forget. We are a little company. We are involved in about 10 percent of the Swedish oil supply. That is after all only a small share."

6893

CSO: 3109



## PLANS LAID FOR NEW NETWORK OF COAL-BURNING POWERPLANTS

Stockholm DAGENS NYHETER in Swedish 14 Jul 79 p 12

[Article by Lasse Hoglund]

[Text] The emphasis of power companies on coal-burning plants is now increasing. The reason is the ever more expensive oil and the possibility of a cessation of nuclear power. Within a month Syd Kraft will submit a site petition--the choice is between constructing a new powerplant in Karlshamn or in expanding the Oresund plant in Malmo. The Waterfall Commission is discussing other sites.

"The need to expand is most acute in south Sweden. Here we are experiencing the most rapid increase in the consumption of electricity," says Sven Bergquist, Information Chief at Syd Kraft.

"We do not have any hydroelectric power to expand, and if there is stoppage in nuclear power, coal is the only alternative. We can't afford oil any longer. At present 60 percent of our electricity is derived from nuclear plants, 30 percent from hydroelectric plants and 10 percent from coal-burning plants."

## Acceleration

Syd Kraft had previously been counting on putting the third unit at the nuclear powerplant in Oskarshamn (O III) into operation around 1985, and then to build later a coal-burning plant. The decision for a referendum on nuclear power has turned plans upside down. It means that O III will be delayed 1-2 years, and hence the coal-burning plant alternative must be accelerated.

Syd Kraft has now an oil-burning plant in Karlshamn which can produce 3 X 330 MW (megawatt). Because of the high price of oil it operates at a loss. Hence, the construction, immediately adjacent, of a coal-burning so-called condensation powerplant with a 600 MW capacity, is being discussed. Then one or several of the three units in the oilburning plant can be shut down.

The management of Syd Kraft is discussing as an alternative expanding the Oresund plant in Malmo with a coal-burning plant of 300 MW. It could also provide heat for homes but not to the same degree as the distant heat from the nuclear powerplant in Barseback.

In the long run more coal-burning plants will be needed, particularly if nuclear powerplants are reduced. In Landskrona there are big plans, the Sadshamns Project, to make the community into a major harbor for importing coal. It would suit Syd Kraft to construct there a large coal-burning powerplant of 4 blocks, each with a capacity of 600 MW.

An alternative being discussed for just as large a powerplant is the Smaland coast. Asehorn, north of Monstera is the chief alternative. A large harbor, as well as new roads and rail lines are needed there. Averod and Kolboda are other possible local sites.

#### In the Long Run

The Waterfall Board has also plans for large coal-burning powerplants, but they are quite far in the future. The sites being discussed are Klyse (close to Scanraff near Lysekil), Tunaberg (north of Braviken near Oxelosund) as well as Sunnas (35 km south of Soderhamn).

It is possible to construct at all these sites four blocks, each with a capacity of 600 MW, more than any other Swedish powerplant.

The Waterfall Board wants to build first of all on the east coast. Extensive investigations have been made earlier at Tunaberg (and Lyse) in regard to the water's toleration for the discharge of warm cooling water. South information is not available regarding the south Halsinge coast. Hence SMHI has its research vessel, Censor, there for sampling and measuring.

Sunnas has earlier been the best prospect because, among other things, the rules regarding the discharge of sulphur have been less strigent north of Lake Malaren, but now that boundary has been shifted to the Göteborg Län line.

Not only the big power companies are making plans for coal-burning but also Stockholm and Göteborg.

There are plans in Göteborg for an installation of 2 X 210 MW at Hisingen. In regard to Stockholm the Industrial Board presented a plan last week for a network of coal-burning power and heating plants in and around Stockholm. There would be powerplants at Igelsta (near Sodertalje), Fittja (in Botkyrka), Vitan and Lovsta.

#### Increased Imports of Coal

These plans taken together will mean an enormous increase in Sweden's coal imports. It now amounts to about 2 million tons and is used almost completely in production of steel. Only one of the planned powerplants of 2400 MW would require 6 million tons of coal annually. There are no harbors today which could cope with this.

It is not clear where the coal would come from, but most likely Poland, Canada and Australia would be the suppliers.

The emphasis on coal will also confront the nation with new environmental problems. About 10 percent of the coal remains as ash, and emissions are just about as poisonous as from oil-burning powerplants.

Consequently, the government has appointed a commission to draw up a complete picture of the role of coal in Sweden's future energy needs. It will in the course of a few years investigate all aspects, even the environmental. It can be most closely compared to the much discussed KBS project, nuclear power safety, which examined the risks of nuclear power.



6493

CSO: 3109

## PROSPECTS P.R. SWISS, CHINESE TRADE NOT PROPITIOUS

Zurich NEUE ZUERCHER ZEITUNG in German 8/9 Jul 79 p 13

[Text] From 23 June to 4 July the third delegation of Swiss exporters, under the leadership of the Swiss Center for Trade Promotion (SZH), visited the PRC. The 18 representatives of small and medium-sized firms were the guests of the China Council for the Promotion of International Trade (CCPIT) which also signs as responsible authority for business contacts. According to the new orientation in economic policy, noticeable since March and confirmed by Chairman Hua Guofeng at the second session of the Fifth National People's Congress, just concluded, the focus of China's economic policy is at present on agriculture, light industry and transportation. These are then also the areas in which prospects for foreign suppliers might exist.

## Critical Assessment of the Situation

After the China euphoria of March quickly faded away, a somewhat more critical assessment of the situation seems to prevail. Switzerland's stand is a rather intermediary one between that of the great economic powers, the United States and Japan; Switzerland is able to share only to a limited extent in fully operational large-scale projects and must confine itself to excel above all as a supplier of smaller specialized apparatuses and service and maintenance work. However, Swiss exporters might not be so badly off staying in these lines since the Chinese government has again drawn away from the pretentious billion dollar projects that it had pursued earlier.

In his welcoming speech to the Swiss delegation, Li Chuan, CCPIT deputy director, stressed most emphatically those forms of cooperation which are the least exerting on the Chinese foreign exchange budget. He thus recommended mainly joint ventures, cooperation agreements, licensing agreements and barter transactions. The Swiss business representatives would have been rather interested in cash payments, even if only smaller orders would have materialized.

As the Swiss visit was again shown, China is taking most seriously its endeavors to achieve an equilibrium in trade results. It was made quite clear to the Swiss exporters, in particular to the textile machine manufacturers who have had a delegation of their own visit China in January, by an increasingly cautious attitude in placing orders, that the bilateral trade still remains very much in a state of imbalance. To achieve an equilibrium in its trade with Switzerland, China would have to double its exports or to reduce imports from our country by one half.

### In Search of the Ultimate User

According to statements by the China specialists of the SCH, trade in this economic sphere still requires a great deal of patience and persistency. To most representatives who visited Beijing for the first time, the first phase of the business process was solely a matter of establishing for once direct contact with the ultimate user of their products. This is not an easy matter because the Chinese contacts in the various export organizations are customarily not technical experts and therefore not able to judge the products that are being offered to them. The expert who is actually interested in the deal can be hunted down in most cases only with great efforts. Thus, a manufacturer of optical instruments for comparative investigations in police and forensic techniques considered it already a great success to have been permitted to visit, via the CCPIT, certain relevant departments of the police. An agent for precision instruments used in dentistry had a similar success: through hard struggle he finally gained a chance to visit dental surgeons and dental equipment specialists.

The struggle must be fought through many institutions. According to the experiences of the delegates, the Chinese ultimate user who wants to buy foreign goods, first has to approach the relevant ministry in Beijing. The ministry requires an approval from the central planning commission, to permit the order to be passed to the responsible foreign trade organization for handling. According to the latest regulations, the foreign exporter, theoretically, has indeed the possibility to directly approach a production corporation but a newcomer will seldom be able to find right away the right place to approach. Thus, the Swiss delegates, for instance, all depended on the intermediary function of the CCPIT.

To establish contact with the remote ultimate user, another way that is frequently taken is to arrange a symposium. This would indeed present a possibility to establish a direct contact with a production corporation, but due to the fact that most cases involve several corporations, it is still mostly found more convenient to work through the CCPIT.

It was striking to notice the great interest that is being shown since this summer in the small and medium-sized firms, but in this respect the Chinese trading partners had a very clear idea which smallest sizes would render the transactions with foreign suppliers unduly difficult. This was, for instance, the experience of an agent for a mining tool

manufacturing firm. He was told that his enterprise was not sufficiently large to provide the supplies that China intended to order. The business was finally transferred to an American firm.

Up to the time of departure from Beijing, there was only one firm that had come to terms. This firm had already entertained business relations with China for 6 years offering welding material. The firm had furthermore invited 5 Chinese engineers to undergo a 1-month training in Switzerland. It remains to be seen whether the trip to China will also prove worthwhile for the other firms. In any case, it can be stated that the visit of State Councillor Benegger on the occasion of the "Humater" in Shanghai has not produced any noticeable results up to this day.

8455

CA: 8103



## TALKS WITH LIBYA CENTER ON JOINT ECONOMIC VENTURES, OIL

Istanbul CUMHURİYET in Turkish 27 Jul 79 pp 1,11

[Excerpts] Minister of State Hikmetin Cetin, as left, together with a technical delegation, to attend a joint economic commission meeting for the fifth planning period which is to be held in Libya. Among the topics that are to be taken up at the meeting are a number of industrial projects, having a total cost of \$40 million dollars, and petroleum purchases of 4 million tons this year and 5 million tons next year that have already been agreed upon in principle.

It is reported that foreign trade between Turkey and Libya increased by 160 percent in 1978. In 1978, 320,000 tons of wheat, 60,000 tons of flour, slaughtered and live sheep, barley and tomato sauce were sold to Libya. This year it is reported that 320,000 tons of wheat, 10,000 tons of flour, slaughtered sheep, barley and tomato sauce will be sold to Libya. New products for export to Libya will also be discussed at the meeting. Besides our customary export products, efforts will be made to sell construction materials, textiles, clothing and industrial products. Discussions will also be held to solidify the agreement in principle arrived at by Prime Minister Turgut Ersoy during his visit to Libya earlier this year which would increase the amount of crude oil we purchase from Libya from its current level of 1 million tons per year to 4 million tons this year and 5 million tons next year. These discussions will focus on the question of the timing of these increased petroleum purchases.

Industrial projects, which will cost a total of \$40 million dollars and will require \$20 million dollars in foreign capital, will also be dealt with at the meeting. These projects include:

- AMERKAN (Turkish Motor Industry and Trade Corporation) Aksaray Light Diesel Plant Project
- The Diyarbakir Pump Factory
- The Malazgirt Transformer Factory
- The Black Sea Integrated Paper Industry.

The status of Libya's participation in these projects and the financing conditions for them must be settled at this meeting. Moreover, other projects worthy of Libyan participation will be submitted to the Libyans for their consideration. The discussions will further touch upon joint corporations, some of which have already been established and some of which have been agreed upon but have not yet been established.

These corporations that have been established or are currently being set up include:

- The Agriculture and Animal Husbandry Corporation
- The Integrated Meat and Animal Products Corporation
- The Engineering and Consulting Corporation
- The Shipbuilding and Repair Corporation
- The Maritime Shipping Corporation.

The establishment of operating regulations and the problems these corporations have encountered will be touched on at the talks.

CSM/ 4977

## TPAO OFFICIAL CITES POSSIBLE ENERGY CONSERVATION MEASURES

Istanbul MILLIYET in Turkish 1 Jul 79 p 8

[Text] Ankara, Special -- Following the OPEC countries' 35-percent hike in crude oil prices, Turkey has begun preparations to tie its 1980 oil requirement, excluding spot purchases, to international agreements insofar as possible. On the other hand, Petroleum Office Deputy Director General Fikret Buyukburc has said that the latest increase would create hardships and breakdowns especially in the economies of developing nations which would be difficult to repair and called for all measures needed to enable the Turkish economy to survive the new economic problems with least damage to be taken as soon as possible.

It has been learned that Iran, which had promised Turkey 300,000 tons of crude oil this year, promised to begin discussions on the matter immediately after the OPEC meeting, and a TPAO [Turkish Petroleum Corporation] delegation will go to Iran early in July. This trip will be in connection with the 300,000 tons of oil to be obtained from Iran by the end of 1979, and 1980 purchases will be discussed after July.

In addition, oil discussions with Saudi Arabia and the USSR were also put off until after the OPEC meeting. The nations at this meeting announced the prices they will demand for crude oil. The USSR is expected to pay \$20 per ton for the 1.4 million tons of Iraqi oil to make up the 3 million tons it promised to Turkey. In discussions with the USSR, there will be an attempt to exchange Bezostiya wheat from the new crop for some of this oil.

Since it was put forward that Saudi Arabia, Qatar and the Gulf nations will sell oil at a base price of \$18, the possibility is seen for Turkey to increase initiatives to buy oil from these nations, and the price of LPG, which is being purchased from Kuwait at \$155 per ton, reportedly will rise also following the latest decisions. Authorities pointed out that some spot purchases could be obtained at the normal posted prices and they had been successful in this regard, for example, in the last part of the 150,000-ton spot purchase. It was reported that the first 50,000-ton part of the 150,000-ton purchase of Venezuelan crude oil will be coming to the Ipras refinery soon and that the remaining 100,000 tons will be delivered in July.

Moreover, with the recent OPEC increase being at such a high rate as 35 percent, it is being said that the prices of liquid fuel products in Turkey "have no chance to stabilize -- should they do so at all -- by the October elections, that the liquidity needed for the new oil prices will be found only after price adjustments are made," and it is not considered possible for the government to continue with these prices until October.

Petroleum Office Deputy Director General Fikret Buyukburc said that the recent OPEC oil increase would create "hardships and breakdowns difficult to repair," especially in the economies of developing nations and called for all measures necessary for the Turkish economy to survive the inevitable new economic problems with least damage to be taken as soon as possible.

Fikret Buyukburc pointed out that Turkey had difficulty last year paying the approximately \$3 billion in foreign exchange for crude oil and petroleum products and that this would rise by an average of \$500 million per year with the latest increase.

According to the announcement by the Petroleum Office deputy director general, one barrel of crude oil, formerly purchased for \$14.5 at official prices, may be imported from now on for between \$18 and \$23.5. Industrialized nations will be able to pass this increase on to their industrial products, but the less developed nations, among which Turkey is found also, will be placed under heavy economic burdens by the new price increases in both crude oil and petroleum products. Petroleum Office Deputy Director General Buyukburc said the following on this subject:

"In view of the circumstances in which it is found today, it is not possible for our nation to bear this heavy burden. We consider the following measures to be imperative in order that our nation be able to survive these grave circumstances with least damage. They are, first, turning to mass transit in the cities in order to reduce consumption as much as possible, turning toward large scale export of automobiles produced in the automotive industry, taking incentive measures for this, taking eight-cylinder vehicles -- whose economic life is over -- off the roads, setting license plate quotas in our cities and introducing speed limits for automobiles."

Fikret Buyukburc pointed out that fuel allowed to buildings heated with fuel oil should be restricted and that all official buildings and housing should be converted to coal heat instead of fuel oil. Proposing that temperatures above 18 degrees be banned in residences and work places, Buyukburc said that important tasks befall all individuals and organizations in these matters. Fikret Buyukburc said that the Turkish people must be fully mobilized in energy conservation.

Drawing attention to Turkey's opportunities to make quite broad use of solar energy, Buyukburc spoke of the importance of making recourse to local energy sources such as coal and water, instead of oil.

Noting that at the head of measures to limit oil consumption must be emphasis on marine and rail transportation, Buyukburc proposed quick improvement of the railroad network, repair of worn-out parts and construction of new lines. Petroleum Office Deputy Director General Buyukburc, who explained that large-scale liquid fuel savings could be obtained by keeping the prices of marine and rail transportation at levels which would be attractive to the people, concluded his remarks as follows:

"TPAO must be provided broad investments and financing resources so as to allow great leaps in its oil exploration activities. Cooperation with nations having advanced technology in this field and even making use of foreign capital, always bearing in mind our national interests, would seem to be unavoidable. In short, in order to save our country from the stranglehold which steadily rising oil prices have on our economy, we are obliged to take these measures, though difficult and costly, as soon as possible, no matter what the cost."

8349

CSO: 4907

## 'DUNYA' LOOKS AT PROBLEMS OF TURKISH AGRICULTURE

Istanbul DUNYA in Turkish 8 Jul 79 p 2

[Article by Ayse Ege]

[Text] Turkey has an agricultural economic structure. Because no national industry (primarily heavy industry; industry which produces the means of production) has been established, the nation's agriculture, like its total economy, is dependent on the outside. The solution to the problems of Turkey's agriculture (and its total economy) are, at bottom, bound up in the problem of freedom from this external dependence. Eliminating the bottlenecks both in industry and agriculture in our country will be possible only through the establishment of heavy industry -- national industry -- that will mobilize our own human and natural resources, the realization of which is possible only through these means. If we turn our backs on this basic fact, we can neither establish a national industry nor save our agriculture from the structural defects inherent in an externally-dependent system. Actually, the defects in the agricultural structure and the resulting problems have come on the agenda from time to time from the first days of the Republic to the present, but the problems have only increased with the passage of time.

The problem of a "land and agricultural reform" is a major topic of our present political war. While certain laws lacking the nature of reform have been passed by the Grand National Assembly, certain draft laws which were in the nature of reform have never been enacted.

Draft proposals and reports drawn up both in the Grand National Assembly and other institutions have attempted realization of the following goals -- in summary -- in a land reform to be carried out in Turkey: the introduction of social justice for the agriculture sector, which comprises a large majority of the population; rectification of the imbalance in land distribution and inter-regional differences; use of modern ways and means in agriculture and, therefore, increased yields in production.



Let us take a brief look at the social and economic defects which have long existed in our nation's agriculture sector and the facts rendering their resolution necessary.

The basic means of production in the agriculture sector, of course, is the land. The form of tenure on the land determines its distribution and, therefore, income distribution. The large landowners (agricultural capitalists and landlords) who hold a large portion of the arable land in our country receive a large share of the national income as compared to the landless or small landowning peasants.

According to research conducted in connection with the agriculture sector in 1973, the distribution of cultivated land in our country is as follows:

Owners of between 1 donum [approximately .25 acre] and 20 donums of land constitute 45.4 percent of the people who live in the agriculture sector, yet they cultivate only 7.4 percent of the arable land. The 25.2 percent who own between 21 and 50 donums cultivate 13.9 percent of the land. (See Table 1.) That is, those who own small operations of 50 donums or less constitute 70.6 percent of agriculture sector occupants and they cultivate only 21.3 percent of the total arable land.

Note: Figures in parentheses are from the 1970 agricultural census.

Those with large land holdings of 500 or more donums constitute 1.1 percent of agriculture sector occupants and they cultivate 21.4 percent of the arable land. This table shows a great injustice in land distribution. In comparison with figures from earlier censuses, however, we see that land has been further divided and no incident of concentration has taken place.

If we compare the agricultural census of 1950 with the research of 1973, very little land concentration (accumulation of land into few hands), which is the natural result of the capitalist process in agriculture, is seen. (Table 2) We must not be misled by this fact, however, because concentration resulting from the capitalist process would have taken place in the holdings of the large landowners anyway. That is, excessive concentration has not occurred primarily because mechanized agriculture is not highly developed, just as the land holdings of the agricultural capitalists are seen even to be shrinking to a degree for the same reason.

The reason for inadequate mechanization of agriculture is that agricultural ways and means are obtained abroad at high prices and agricultural products wind up at the market at low prices, and at the same time the view is widely held that it would be more profitable to eliminate concentrated agriculture by taking some of the land and put emphasis on industrial investments.

Owing to the problems created by the imbalance of land distribution and external dependence in input utilization, while land division is primarily detrimental to medium-sized operations, small operations are also further

divided and become miniature operations. Moreover, producers entering the process of diminishing ownership in this sector have brought with them the phenomenon of an emergent labor force. The labor force emerging in the agriculture sector has become an agricultural proletariat, deprived, from one aspect, of any social security and working to make a living by selling their labor.

Aside from the employment problem created by existing production relationships in agriculture, the problems of obtaining modern agricultural inputs cause significant rises in production costs on small operations, while it is impossible to use them on miniature operations.

As will be seen in the 1953 and 1975 censuses, despite the absence of any significant reduction in traditional agricultural implements and equipment, there was an increase in modern agricultural implements and equipment. However, this increase is not at an adequate level. (Table 3.)

Considering inter-regional differences, however, these rates are lower in undeveloped areas, which therefore remain equally low in income. Moreover, despite the agricultural use of tractors by operations smaller than 50 dönüms, these tractors are almost all rented.

Although our country is, in any case, in the agricultural capitalism process, it is very different from the capitalist process in the West.

When inter-regional differences are added to the inadequacy of modern inputs and injustice in land distribution, it is understood why increased yields in agriculture cannot be obtained.

As we stated earlier, the external dependence of the Turkish economy leaves no opportunity to bind the wounds of the agriculture sector, and to think so would be essentially wrong -- because the economy is a whole. Agriculture cannot be isolated from the other sectors of the economy. For this reason, a primary condition for rectifying the deficiencies of the agriculture sector is realization of land agricultural reform, alongside an effective industrialization policy based on the national resources, revitalization of producer cooperatives as a natural element of this reform and the transfer of state resources to these cooperatives. The establishment of heavy industry with agriculture planned in parallel with industry is the only hope for Turkish agriculture.

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Table: 1  
Distribution of Cultivated Land in Turkey

Land Holdings [Donums]	Percentage of Sector Population	Percentage of Land
1-5	10.9	0.6
6-10	14.9	1.9
11-20	19.6	4.9 (4.8)
21-50	25.2	13.9 (13.8)
51-100	16.2	18.9 (18.7)
101-200	8.5	19.8 (19.5)
201-500	3.7 (3.6)	18.6 (18.5)
501-1000	0.6	7.0 (6.8)
1001 +	0.4 (0.5)	14.4 (15.0)
Total:	3,124,678 (3,125,884)	20,524,774 (20,791,077)

Source: SPO

Table: 2  
Developments in Distribution of Agricultural Operations

1950 Agricultural Census                      1973 (SPO)

Land Holdings	Percentage of Cultivation	Percentage of Land	Percentage of Sector Population	Percentage of Land
1-20	61.7	18.9	45.3	7.4 (7.3)
21-50			25.2	13.9 (13.8)
51-100	21.8	18.8	16.2	18.9 (18.7)
101-200	10.5	19.1	8.5	19.8 (19.5)
201-500	4.4	16.9	3.7	18.6 (18.5)
500 +	1.6	26.3	1.1	21.4 (22.2)
Total:	2,512,800	70,750,591 Ha. Hectares	3,124,678 (3,125,884)	20,524,774 Ha. (20,791,077)

Source: SPO

**Table: 3**  
**Quantitative Status of Agricultural Implements and Machinery**

<b>Traditional</b>	<b>1953</b>	<b>1975</b>
Plow	1896274	1381142
Thresher	1827512	1446922
<b>MODERN</b>		
Traktör	35670	243066
Seed drill	6169	42183
Harvester	4458	11245
Combine	1171	17647
Pumping engine	5389	125683
Centriguge	4527	48140
Pesticide sprayer	19635	224972
Dust, liquid		

**Source: SPO**

**Table: 4**  
**Modern Input Utilization by Land Size**

	<b>1-20</b>	<b>21-50</b>	<b>51-100</b>	<b>101-200</b>	<b>201-500</b>	<b>501 +</b>	<b>Total</b>
<b>Artificial Fertilizer</b>	943672 (66.48)	520548 (66.24)	328184 (64.70)	166673 (63.08)	78350 (68.08)	28373 (83.99)	2065800 (66.08)
<b>Tractor</b>	440845 (31.05)	360999 (45.94)	273470 (53.92)	195895 (74.14)	96686 (84.02)	29152 (86.30)	1397047 (44.69)
<b>Pesticide</b>	765737 (53.94)	493855 (62.84)	293719 (57.91)	153340 (58.03)	72438 (62.95)	28513 (84.41)	1807602 (57.82)
<b>Irrigation</b>	535477 (37.72)	246457 (31.36)	145260 (28.63)	67880 (25.69)	36854 (32.03)	14452 (42.78)	1046380 (33.47)
	<b>1219049</b> (5.88)	<b>660837</b> (85.00)	<b>420950</b> (82.94)	<b>230922</b> (87.40)	<b>106542</b> (92.59)	<b>32912</b> (97.44)	<b>2671212</b> (85.45)
	<b>1419480</b>	<b>785800</b>	<b>507201</b>	<b>264201</b>	<b>115072</b>	<b>33778</b>	<b>3125884</b>

**Source: SPO**

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## BRIEFS

WORKER-EMPLOYER DISPUTES IN LIBYA--President of the Turkish-Libyan Friendship Association Professor Nevzat Yalcintas has indicated that disputes have surfaced between Turkish workers and employers in Libya in recent months and that these disputes have reached disquieting proportions, a situation which could have economic ramifications. Professor Yalcintas, at a press conference held on this topic, stated: "The outbreak of disputes between Turkish workers and employers in Libya will lead to the loss of work opportunities for workers and Turkish contracting firms. This would have a negative effect on the nation's principal economic problems, unemployment and the shortage of foreign exchange." Noting that these negative developments could also have a damaging effect on Turkish-Libyan relations, Yalcintas announced that a delegation will be sent to Libya to conduct an on-the-spot investigation. [Text] [Istanbul GUNAYDIN in Turkish 11 Aug 79 p 5]

TURKES' RELATIONS WITH JP--Responding to a question regarding his relations with the Justice Party, Turkes stated: "As far as we are concerned, there has been no change in our relations with the Justice Party. We view the JP as a brother party. We refrain from taking any type of action against it." To the question as to whether or not he is contemplating a consolidation of strength with other rightwing parties for the October elections Turkes answered: "We view a consolidation of strength as useful. However, there have been no discussions or initiatives taken in this regard. Actually, from the standpoint of the existent election law, there is no practical means of solution to this issue, [sic]" Turkes contended that the numerical difference between the government and the opposition has been greatly reduced, that there is a possibility of the government being toppled prior to the upcoming elections and that the parties of the right will score a big victory in these elections. He further stated that in the event of early elections his party would receive 3 million votes. [Excerpts] [Istanbul MILLIYET in Turkish 2 Aug 79 p 12]

SAZAK SPEAKS OF AMNESTY--Deputy Chairman of the Nationalist Action Party Gun Sazak, in a statement issued yesterday, asserted that "the nation will give the Ecevit government a well-deserved lesson in the October 14

elections" and he went on to say that "early elections will be held by the elected government that is subsequently elected." Suggesting that the Turkish nation will be rid of this government and its black days forever, Sazak concluded his speech in this manner: "Of course, on the day of liberation a general amnesty will be announced for all of those victims of accident and fate. In order to bring our nation to good health, the NAP will continue its struggle for a democratic constitution unabated and, overcoming totalitarian pressures and plans, the supremacy of law, in its true sense, shall reign in our nation." [Excerpts] [Istanbul MILLIYET in Turkish 10 Aug 79 pp 1,12]

CAN REJECTS AMNESTY NOTION--Minister of Justice Mehmet Can, who was in Istanbul on work related to the ministry, reportedly had questions directed at him such as: "Will a pardon be issued in 1981?," during his contacts at several prisons. He responded to such questions in this manner: "During my travels to prisons throughout the nation many people have asked me, 'On the 100th anniversary of Ataturk's birth, will a pardon be issued for Ataturk's children?' To them I have said 'Ataturk's children do not kill Ataturk's children. There will be no pardon. I believe that hereafter no government will issue a pardon. No nation on the earth has this sort of Amnesty Law. With the revisions in our penal system, the sentence for a well-behaved, hard-working prisoner can already be cut in half. Pardons serve no useful purpose. Pardons fan the fires of revenge, they push the police and judiciary into irresponsibility. A police officer cannot fulfill his duty if he feels 'I caught the criminal, brought him in and you let him go.' How can the judiciary perform its work if a person who has been tried according to the law and sentenced is set free? Nowadays, work is provided for convicts within the prison and later, after they have served their time, they are given credit to facilitate their reintegration into society. Depending upon his work, the People's Bank and the Trusts Bank will extend up to 1.5 million Tl in credit to an ex-convict." [Excerpts] [Istanbul MILLIYET in Turkish 2 Aug 79 p 9]

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